THE CHINA WEEKLY REVIEW

密勒氏評論報

A Weekly Newspaper Established In 1917

December 6, 1947

UNREALISTIC "PLANS"

AN EDITORIAL

League Ban---Blow Or Blessing?

J. L. Tien

Bloodless Coup In Siam

Charles Chapman

Chinese Elections In The US

Edward Rohrbough

WATCH THE JAPS---V

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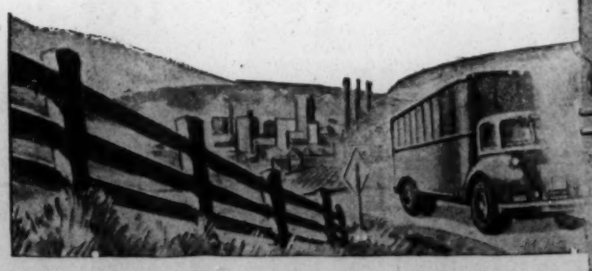

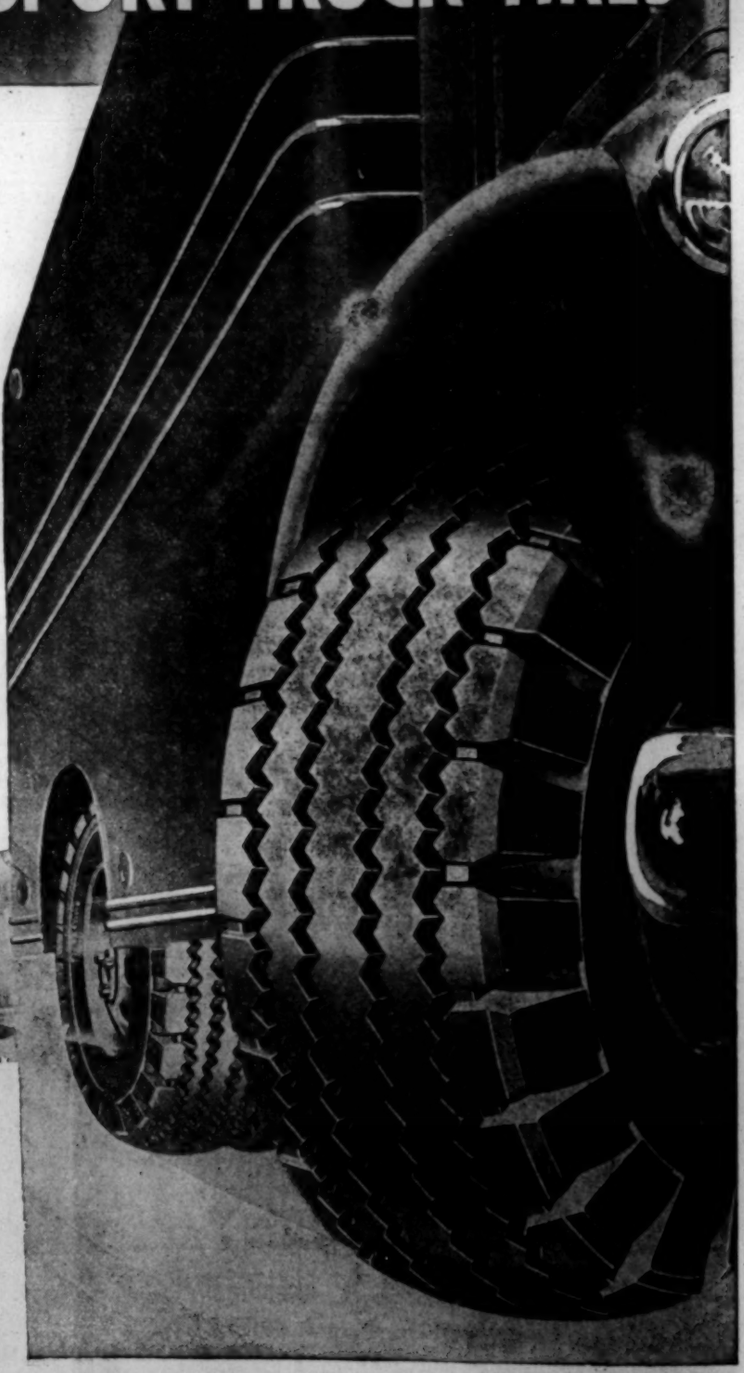

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LETTERS From The People

Comments from readers on current topics are cordially invited: their opinions, however, do not necessarily represent the views of The China Weekly Review.

The Masses Lose

To The Editor:

In view of the topsy-turvy state now prevailing in China it is nothing surprising that the masses are not only apathetic but reluctant to hear the clarion call for the election of the National Assembly delegates which presumably will pave the way from tutelage to constitutionalism in China.

That the candidates should first be approved by the goverment as to their qualifications and eligibility to sit for the election gives rise to speculation that a list of the National Assembly delegates has already been fixed up and that the holding of the election is only a matter of formality. Such speculation gains more grounds when the government makes certain concessions to the Young China Party and the Social Democratic Party who have been haggling for more seats for their parties in the National Assembly.

With the Civil War intensified and both sides (KMT & CP) claiming to be the winner, the losers are the masses who have been ruthlessly killed in hundreds of thousands, and those survivors of the holocaust are always obsessed by the nightmares of desolation, unemployment, starvation, exposure, and other tribulations. How can they be expected to have warm hearts for the achievement of a few partisans' ambitions, which will bestow on them neither relief nor comfort.

Approximately 90 percent of the masses in China are still illiterate and can hardly write their own names. How can they fill out the ballots by themselves? (The mere two percent of the government's budget earmarked for the public's education indicates who should be responsible for the mass illiteracy).

However, Generalissimo Chiang Kai-shek started to hold a realistic view by exhorting KMT members not to make too much effort in contending the nomination which resulted in the relinquishment of General Chen Cheng and several others. In fact, what is the use of it if the situation turns tide.

A MAN IN THE STREET.

Shanghai,
November 21, 1947.

Kind Suggestions

To The Editor:

Being one of your readers for more than a year, I am so much interested in your *Review* that I have acquired the habit of reading it every week. As a reader, I feel it is my duty to offer you suggestions for the betterment of our *Review*, no matter whether my proposal is valuable and workable, and despite the fact that it is already one of the best magazines now circulated in China.

Firstly I think the columns; "What U.S. Papers Say" and "What Chinese Papers Say" are not so praiseworthy because they are only brief summaries extracted from several different kinds of papers; I would like to suggest that you cancel these two columns so as to have more space for the column "News of the Week." In other words, these three columns might be combined into one under a title such as "Summing Up &

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Remarks" or others on the main situations and happenings in the military, political and economical spheres occuring both at home and abroad, as some of the Chinese magazines such as *"Time & Culture," "Observer"* etc. do

Secondly, I think it would be better to have your new column "The *Review's* English Lesson" which has appeared recently in accordance with the needs of your readers, combined and printed as a booklet or volume as supplementary material for your readers of low English standard. Furthermore, I would like to suggest that you publish booklets or volumes on some special topics as reference material for your readers so as to help them understand the situation of the world more thoroughly.

LEE SHAN-YI.

Kwanshien, Szechuen,
November 25, 1947.

Voting Rehearsal

To The Editor:

I was one of the few lucky ones who witnessed the election rehearsal held here in the morning of November 21, amid 200 pao chia chiefs and a few busy fellows like myself.

The rehearsal was held in the social education center, a small room, near by our ill-famed Confucius Temple, the Red Light district of Nanking. The door was guarded by police. Everybody before entering the room had to show his citizen certificate as well as his voting certificate. The first voter was a pao chief from the Third District. He entered the room, and showed his voting certificate to one of the clerks, who gave him a ballot which he took to a desk where sat two script clerks. On the wall facing the desk hung a list of candidates, two Kuomintang nominees, one Young China Party and six non-partisan nominees.

Whether out of fun or because he really could not write, this pao chief said he wanted to vote for the Kuomintang woman nominee and asked a script clerk to fill out the ballot for him. This done, he cast his ballot into a box guarded by a policeman. Other pao chiefs followed suit. It took exactly one hour to finish the voting rehearsal and 150 pao chiefs cast votes.

The rehearsal was directed by the chief of the political section of the Third District and helped by nine clerks and two script clerks; two representatives from the so-called District Congress acted as supervisors. Because of the small size of the room, no others attended. The director of the rehearsal apologized that it could not be carried out in a big way. "For all the expenses, including my own work and that of the nine clerks, the two supervisors and the two script clerks from my office, we only got an appropriation of CNC$150,000," he said. But the 200 pao chia chiefs who attended the rehearsal seemed to be rather happy with the new experience which would serve them in the real elections which took place the next day.

Since I have not witnessed any election held in foreign countries, I cannot say whether ours is a proper one or not. But let it be conveyed through your magazine to the world that democracy has started the hard way in our country.

C. C. W.

Nanking,
November 24, 1947.

Temporary Silence

To The Editor:

Like most of the students' bodies in various schools, the Students' Representative Council of our school, National Ying Shih University, after learning of the death of Mr. Yu Sze-shan, chairman of

the Students' Self-Governing Body of National Chekiang University, sent immediately a message of consolation and support to Chekiang University. As our Students' Representative Council was then just in the process of organization, no further step was taken on this affair. However, an atmosphere of irritation has been widely prevalent in this school, many thinking Mr. Yu's death might be the prelude to widespread bloodshed and mass arrests of students throughout the country. On November 9, our Students' Representative Council was finally established; in the opening session of the Council, an act calling for a one day strike as a protest for Yu's case was passed, simultaneously three members of the Council were appointed as its representatives to go to the National Chekiang University in Hangchow to pay respects to the dead and express our attitude toward the case.

However, before these decisions had taken action, Dr. Edgar C. Tang, President of the school, summoned Mr. Wen, chairman of our Council for a "talk". When the latter returned, he immediately convoked a provisional session of the Council in which he submitted his resignation as chairman. After four hours of hot debate, the Council resolved mass resignation and thus dissolved informally the Council, which lived for no longer than 36 hours. Although Mr. Wen just disclosed vaguely that the circumstances were not favorable, many believe that Dr. Tang must have put high pressure upon him.

Dear readers, this would probably be hard for you to unravel, if not one word more is added. From the very day Dr. Tang took office as President of this university the student movement here has been completely suppressed, and the dismissal of nine students, who were active in the previous movements, followed. When some of the dismissed students were forced to leave the school, they found themselves followed by special servicemen. This seems to coincide with the story that Dr. Tang himself is a top special service man. He is notorious for his "great deeds" done when he was the president of Cheelu University; it is said that the students there finally succeeded in compelling him to leave their school.

This, however, does not mean that the temporary silence of the students here is Dr. Tang's or anybody else's success.

T. C. C.

Kinhwa, Chekiang,
November 21, 1947.

Slum Picture

To The Editor:

The following is one of my recent writing compositions about one of the slums in Peiping, which has been neglected by many people and which, perhaps, can be brought out in your *Review*.

* * *

In one of the slums in Peiping which two friends and I visited one day, all the quarters, built out of mud and bricks were small and shabby like graves. Many children under 10 year were naked and their stomachs were swollen and big. Many of them had eye diseases.

In one of the quarters, an old lady was cleaning her room, sweeping the water out, for after a few hours of rain, the room was full of water. Seeing us, she asked us to go in and take a seat. It was dark, dirty and very small for three men like us. In the right corner of the room, there was a lame table, on which were small vases, cans, broken bottes, pans and cups made out of US ration cans. Ragged clothes and cloth strips were hanging up on the wall. Her bed was a square earth platform on which was a ragged quilt.

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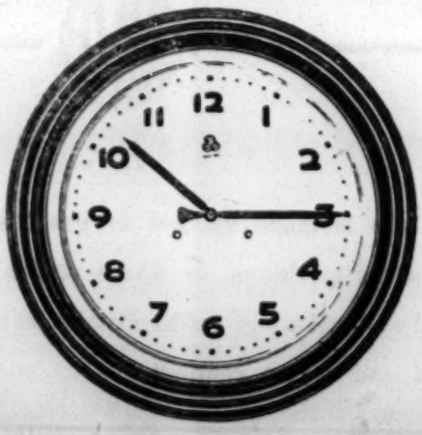

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The old woman told us that her son was a richsha puller and what he earns can hardly support them. Formerly they lived in Tungchow where they possess more than 10 acres of land. Her daughter-in-law and a four-year-old grand-daughter are still living there. She and her son came to the city to escape the conscription of the son. But they are now leading a dog's life in the city. When we were talking, someone quarreled in the neighboring quarters. A coolie having earned no money owing to rain that morning was venting his rage on his wife. He cursed, threatened and beat her.

We left this house and turned to a corner where a ragged woman was nursing her baby who was said to be one year old but looked like four months. This woman told us that she had not heard of her husband in Tsinhsin for more than one month. Now she with her two children are forced to beg. Her little boy helps her by picking coal fragments from the dump which can be sold for money. When we were talking, the little dirty boy came back with a basket on one of his arms. He told his mother he has gathered coal fragments worth CNC$4,000 and asked her to give him a fried cake, meanwhile casting his eyes at another boy who held a fried cake in his hand.

Turning to another quarter, we saw a woman of 30 chewing *wo wo tou* by the door. She sat there chewing sadly as if she was chewing the misfortunes of her life.

"Where do you come from? Are you from Northeast?" she asked us and then shouted and rushed to us, "Give me back my householder!". We turned away in a fright but her shouting lasted long after we went away. She is mad because her husband is said to have been killed in the Civil War in Northeast.

In this slum, most of the men are coolies, pedicab men, ricksha pullers and waste pickers. Women and children are helping the men in picking coal fragments and by begging for food. Many just coming out from the factories have not got any job. The Civil War has ruined the farms, closed the factories and starved the people. These people are threatened by hunger. They become numb, without feeling and reaction; hunger makes them lose all their energy. They can hardly get enough corn and millet to make *wo wo tou* not to mention vegetables and meat for nutrition, their daily food is *wo wo tou* with pepper. The authorities do not care for their livelihood at all.

On our way back, we saw many children, like sheep, moving on the dump heaps picking coal fragments and papers, etc. Some of them quarreled with the most unbearable vulgarity because one child invaded another's area of activities.

WANG CHIENG-YUAN.

Fengtai, Hopei,
November 16, 1947.

Intellectual Victims

To The Editor:

Following the Government's dissolution of the Democratic League, the intellectuals in Chengtu faced another persecution on November 6. The Lienying Book Store was closed on no pretext. Its manager and two salesmen were arrested; the managers of some other book stores including Ching-o, Kaiming and Chungnan book stores, were all put in some secret places. Nobody knows where these men are confined and when they will appear again.

The Lienying book store was established by some contemporary writers and had served as an agent of many publishers, such as Life book store, Yichun publishing corporation, Hsinchih book store, etc.

The Chungnan book store was selling foreign magazines ranging from Henry Luce's *Life*, *Time* and *Fortune* to Henry Wallace's *New Republic*. Its manager who had conducted a second-hand goods business before had amassed a small fortune. Now his family has not the slightest idea of where and when he was held up. He just suddenly disappeared like most of the people who disappear mysteriously in this country.

The victims of such drastic measure of the Government are not only these who have disappeared but also those who are anxious to know things by reading the books in those persecuted stores—because they cannot afford to buy the books as they wish. From now on they can only read government censored material. It is unthinkable that we should have all our thoughts absolutely stereotyped.

I remember Dr. Wang Shih-chieh, Nanking's Foreign Minister, when negotiating for the US loan in Washington, told the Americans that China now has more freedom of speech. What will he think should he hear what just happened in Chengtu—such a slap in his face. Meantime, this is the kind of government, only interested in persecuting the country's intellectuals and smothering public opinion. President Truman and General Marshall are willing to give aid to.

The rumor of more substantial US aid like the military staff officers, etc., is again prevalent. I hope the US people who are really paying for what Washington is giving to the government will take a look at the real situation and consider a little what good their money is doing for the suffering Chinese people.

I am neither a Communist nor a Democratic Leaguer. I just say what I feel and tell the people what has happened in Chengtu about which none of the Chinese papers has mentioned a single word.

Chengtu, Szechuen,
November 19, 1947. L. T. H.

a Via CGRA

Life is made up, not of great sacrifices or duties, but of little things, in which smiles and kindness, and small obligations given habitually, are what preserve the heart and secure comfort.

——WILLIAM DAVY

●

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Legal Anti-U.S. Acts

To The Editor:

Sometime ago your *Review* called its readers' attention to the partiality of Chinese judiciary in its administration of justice to extraterritorial nationals. Professor Roscoe Pound of Haryard University has since then been known to be "advising" Nanking's Ministry of Judicial Administration. This window-dressing gesture is like many other "systems" of American advisers, intended to fool the United States taxpayers, while very Un-American and Anti-American activities are carried on.

There is now exiled in Macao an ex-chief justice, educated in England and America, who was understood to be on friendly terms with many Americans and Englishmen. The Blueshirts educated in Berlin and Moscow suspected that this refugee would supply information disclosing their intention of joining Comrade Stalin again. As this exile has still many followers in China, proceedings of purges and persecutions were systematically carried on.

The first victim of such fabrications and frame-ups was the former Attorney-General in Canton, a graduate of Soochow University Law School (an American denominational institution). This jurist was promoted from a court clerk to chief justice of a district court. In short, he was a professional jurist who has faith in the Anglo-American jurisprudence.

That was however a crime in itself in the eyes of China's present rulers, ironically supported by the White House and Wall Street.

The Soochow University Law School graduate was one morning taken from his bed, handcuffed and imprisoned for a year. Then he was freed after protestations. He understood that his real crime was his affiliation with his former American-educated superior.

Another case was the Attorney-General in Swatow's High Court, the deputy of the American-educated exile, who was one day proscribed and prosecuted, as Canton's Chief Justice instructed a procurator to pinch this Attorney-General.

Now another persecution is going on. A chief Justice of a District Court, also a graduate of the American-founded Soochow University Law School, one morning heard that Canton's Chief Procurator sent down a group of judicial police to have him arrested for "corruption."

Professor Pound is obviously ignorant of these things. He, like President Truman, is expected to do the duty of becoming a party to the liquidation of pro-American elements in China, by Gestapo and NKVD agents back from Berlin and Moscow.

D. K. LAMB.

Macao,
November 25, 1947.

Gambling Menace

To The Editor:

Gambling seems to be ingrained in most Chinese. "Thou shalt not steal" is taught to their children by most of parents but they seldom teach their children "Though shalt not gamble." What is more, many youngsters are brought up in gambling environments, watching their parents, relatives and friends playing nearly every day, if not mahjong some other game which seems to them enchanting. In many families, at any ceremonial occasion, tables of mahjong will be laid out for the entertainment of the guests, which on one hand acts as a means of entertainment and on the other hand, serves to display the family's prosperity. We hear frequently of a married couple falling out because the husband has stayed up all night at a game, jeopardizing his family affairs and eventually losing his job. Even young kids sometimes are found happily indulging in a game of dice with a hawker in the street.

Horse racing is regarded as a public sport in the West and is legalized. In the United States, many people are crazy about it. In the proper light, horse racing is really a sport and an excitement. But how many people, who made use of it as a kind of speculation, have been ruined by it. Many years ago there was a decent fellow back from abroad. His father, a grocer by trade, left his son a fair heritage after his death. Horse racing was rampant then and the son never missed an "opportunity." However, he was not heard of for sometime until it was known that he had been jailed for blackmail.

Horse racing had brought him to ruin.

Many Chinese people of the old generation are addicted to gambling and find difficulty in getting out of the habit. These people, some of them have already one foot in the grave, may be left to their bent if they like. As for the young generation, we should teach them when they are pupils in primary school that gambling is one of the worst vices and try to turn their attention to active sports, reading and other healthy amusements.

CHI YU.

Shanghai,
November 16, 1947.

Law Violated

To The Editor:

We members of the Faculty, Staff, and Students of Yenching University appeal to the National Government of China, in order to protect human rights, to deal with all cases of suspected subversive

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activities according to the legal procedure relating to arrest and trial already established in the law of the land.

We believe the methods used in recent cases of arrest of students in Peiping, Shanghai, Chekiang, and other places, have not only violated Chinese law but are contrary to the general sense of human justice, and seriously injure the reputation of the Government in the eyes of the world.

In the cases of students and others already arrested we believe that determination by the Government to follow its own established laws and arrange for a speedy, public, legal trial will strengthen its position with its own people and in the eyes of the world.

MEMBERS OF THE FACULTY, STAFF AND STUDENTS OF YENCHING UNIVERSITY.

Peiping,
November 20, 1947.

No Soapboxes

To The Editor:

The following is about the first election of representatives to the People's Convention in Kunming which is not quite like the tales given by the official news agency. It might interest you and the *Review's* readers.

Educated or intellectual Chinese were not very enthusiastic about their voting franchise, which was granted to them for the first time in history. No soapbox speeches were given in the streets or any place. Some prominent figures acted fervently to get people to support their candidacy, but many of them got a letter from the Kuomintang's Provincial Administrative Committee asking them to stop action as a slate of "appointed" candidates had already been determined. In other words, people here should vote for the one whose name was on the slate, whether he was a damn fool or unqualified. I hope you will write us a detailed description of elections in those real democratic countries; whether there is any "appointed" slate which might not include able candidates.

During the days of voting, many of the illiterate voters who know nothing about the procedure but had their ballots came to vote. When they entered the voting office, they were entertained by service clerks with smiling face who filled in the ballots for them.

About 150,000 ballots were issued in this city of 300,000, but as estimated, no more than half of them were used. Many newspapers had headlines saying "Be honorable and cautious and cast your ONE vote." How could one be "cautious" while one's freedom had already been restricted by the appointed slate? How could those elected representatives honorably represent the voice of the people?

JAZZ.

Kunming,
November 28, 1947.

No Excuse

To The Editor:

In your editorial "China's Political War" (Nov. 22 issue of the *Review*), I failed to make out the meaning of "the native missioners from the south were very much inclin-population generally feels that the special com-ed to treat all northerners as if they were puppets ...". To my judgment, you may have misprinted the lines, and it seems to be reasonable to have the third line of the paragraph followed by the fifth line; the sentence will be read as "the native missioners from the south were very much inclined to treat all northerners as if ...". If this is right, however, where should that fragmentary sentence—the fifth line—come from. Will you kindly explain it to me?

YEN PAO-YU.

Peiping,
November 26, 1947.

(We wish to thank Mr. Yen for sending in his corrected version. Actually, he is not entirely right. The misplaced lines should read: "The reason for this lack of enthusiasm, the UNRRA official explained, is that the native population generally feels that the special commissioners from the south were very much inclined to treat all northerners as if they were puppets..." Our humble apologies for careless proof-reading on the part of an overworked staff.—EDITOR.)

Engineers Plight

To The Editor:

This morning I read the unfortunate news that an engineer, Dr. Ma Chung Yuen, a graduate from Ching Hwa University and a returned-student from Berlin, had attempted to commit suicide yesterday but had been saved.

As a student of engineering, I was greatly shocked by it. I have been told that China is in want of engineers and scientists but the facts reveal that our government is much more interested in the Civil War than science, industry or anything else. Many engineers not only get no chance to serve their country but cannot find jobs to keep their livelihood.

I cannot close my eyes to this fact. I want to cry at the top of my voice that the Civil War must be brought to an end immediately.

K. P. H.

Shanghai,
November 25, 1947.

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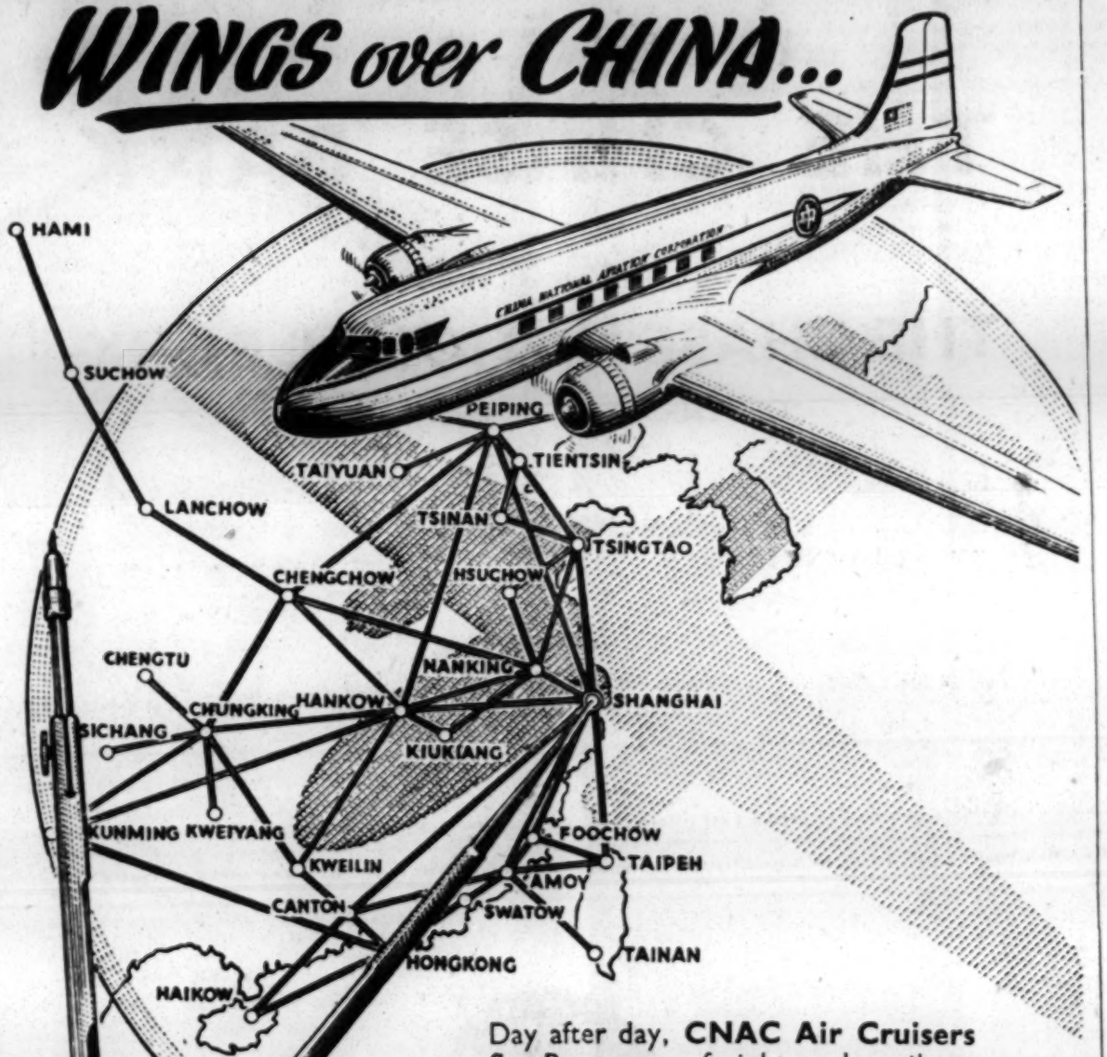

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Vol. 108 Shanghai, Saturday, December 6, 1947 No. 1

Watch The Japs---V

RECENT reports from Japan are rather disturbing. More and more ugly facts have come to light to indicate that the Empire of the Rising Sun, which was defeated on the battlefield with heavy sacrifices on the part of the Allied democracies is rapidly staging a comeback in the political and economic fields. The situation, as we see it, is particularly dangerous to China; the more so if we take into consideration the present striking contrast between the two countries. Japan's industries are rapidly returning to the pre-war levels and there is some sort of political stability, Chinese industries are in desperate straits and the Civil War is sapping China's national wealth and strength. It takes no specialist to see the danger involved in the re-emergence of a militarist, strong and revengeful Japan vis-a-vis an economically-bankrupt, politically-divided and militarily-weak China.

In spite of General Douglas MacArthur's claims and assurances that Japan under his control has made remarkable strides toward democracy it has been an open secret for a long time that the real power of the Japanese Government is in the hands of the reactionary cliques who pay lip-service to "democracy" and "world peace" only to hoodwink and please the outside world and cover up their anti-democratic policies.

The recent discovery of the existence of secret organizations in Japan is reported to have created considerable furor. According to a *Reuter* story from Tokyo, dated November 24, beneath the surface of a genuine Japanese interest in democracy, reactionary forces are planning the overthrow of all occupation reforms and the post-treaty re-establishment of Japan. It is said that the men who make up the masses of the secret organization come from all walks of life —former prime ministers, former admirals and generals, former millionaires and "new yen" millionaires, former Kamikaze troops and minor racketeers, still owners, street vendors, pick-pockets and sundry n'er-do-wells.

But to competent observers who have followed the Japanese situation closely the discovery came as no surprise at all. Rumors have been persistent for some time that secret societies patterned upon the notorious Black Dragon Society and the fascist Association of Retired Army Officers are gaining ground and winning adherents by striking an anti-Communist attitude and by making emotional appeals to the sense of patriotism of the Japanese people. And it is highly interesting to note that these secret societies have a common objective in reestablishing Dai Nippon under the Emperor.

Much of the credit for the rapid growth of secret societies in Japan must go to General MacArthur. His policies and his dictatorial way of handling things have simply played into the hands of Japanese reactionaries and made Japan's champions and fighters for democracy lose heart. The general may be an excellent soldier, but he is decidedly a poor statesman.

* * *

As newspapermen, we are particularly interested in the existing state of the Japanese press. We are curious to know whether Japanese newspapers under MacArthur's control are free; whether they are helping with the world-wide battle for democracy. It was for democracy that tens of millions of Chinese and Americans fought and died in World War II.

It may seem incredible but nevertheless it is true that nowadays the very word "democracy" is taboo in Japan under MacArthur's control. According to *Frontpage*, a magazine published by the Newspaper Guild of New York, a message from Philip Murray of CIO to the Japanese workers was delayed for several days. It was not printed until it had been heavily edited by MacArthur's headquarters, which removed all references to the word "democracy."

Stories dealing with the labor movement in the United States are reported to have been consistently banned. A CIO statement on the Taft-Hartley Bill was cut from the liberal paper *Minpo*. More interesting revelations were made by *Frontpage*:

"A documentary film 'Tragedy of Japan,' which pictured the Emperor's role in the war, was banned after pressure from the Japanese prime minister. In another film, which reviewed the first year of occupation, all scenes showing large masses of people were cut because they were 'incendiary.'"

"Under the pretense of military security, stories that attack the Emperor or are favorable to labor are deleted or watered down by the GHQ Censorship Division."

Another subtle and tactful way of controlling the Japanese press is by manipulating the distribution of newsprint. Big newsprint allocations were given to reactionary papers while liberal papers have been compelled to cut down their circulation because of newsprint shortage. As a result, the *Minshun Shimbun*, organ of the left wing of the moderate Socialist Party, comes out only two or three times a week with a circulation of 250,000. The *Tokyo Minpo*, a progressive independent daily, prints only 100,000. On the other hand, all of the big reactionary papers which follow the official MacArthur policy have

more newsprint than they need and have a circulation of 1,000,000 or more.

It was further revealed that newsprint allocations are made through a Japanese committee. During the first year of occupation, the committee was controlled by liberal elements and cut down the allocations to big papers to increase the quotas for the new liberal papers. This is said to have highly displeased General MacArthur. The committee was quietly "reconstructed" and the liberal elements were replaced by conservatives and reactionaries.

* * *

IN addition to the kid-glove methods of dealing with the Japanese press, SCAP headquarters sometimes takes more "effective" steps. Impatient at the delay on the part of SCAP in removing militarists from the control of the Japanese press, the Newspaper Union called a series of strikes and succeeded in ousting some notorious fascists from several big dailies. Labor management committees were established. But General MacArthur soon cracked down by ordering the dismissal and arrest of six union leaders on the *Yomiuri*. Many union leaders on other papers were also fired. Today, the Japanese press is still owned by virtually the same people who controlled it during the war, *Frontpage* reported.

The general trend in Japan is not only disappointing but alarming. During the past several months we have time and again called the attention of the Chinese Government and people to the serious situation in Japan. We have suggested that the course of events in Japan be closely watched and that the Chinese Government take a firm stand with regard to Japan. It is sincerely to be regretted that the Chinese press, as far as we have been able to learn, does not seem to fully appreciate the delicacy and urgency of the situation as evidenced by its scanty reporting of news concerning Japan. We wish to repeat once more the warning we have made on previous occasions: "Watch the Japs!"

December 8 marks the sixth anniversary of Pearl Harbor. And the Marco Polo Bridge Incident is only 10 years old. To forgive and love thy enemy may be a noble Confucian and Christian virtue, but it is downright treason to do so at the expense of the interest of the homeland.

Private Holdings Abroad

ONE question which may be raised when and if China and the US settle down to serious talk about a "Marshal Plan" for this country is what to do about the presumably large private holdings in America of individual Chinese citizens. While no one probably will ever know the exact total of such Chinese holdings, it can safely be assumed that they are considerable. They possibly are not as great as a recent Chinese newspaper estimate which put them at US$1,400,000,000, but they certainly are not as low as some of the suspected holders would have us believe. While not specifying any definite sum, those "accused" of having holdings in the U.S. usually point to the statement of Dr. H. H. Kung, Generally recognized as one of China's wealthiest men, who declared to the press some months ago that his holdings in America came to no more than US$30,000.

Despite the many denials made by men of known wealth, it is quite obvious to any observer that Chinese capitalists are no different from their counterparts in other countries—they are all moving what free capital they can spare to havens of safety. The local press carries almost daily statements about the "flight of capital" to Hongkong and other areas where relative economic stability prevails. Only rough estimates can be made of Chinese holdings in Hongkong because there are no official figures available and also because the island is so accessible that much of the capital sent there is of an extremely short term variety and probably remains only temporarily. Further, much of this capital is connected with smuggling activities, both in and out of China, and thus might be considered as normal business transfers, rather than flight abroad for hoarding.

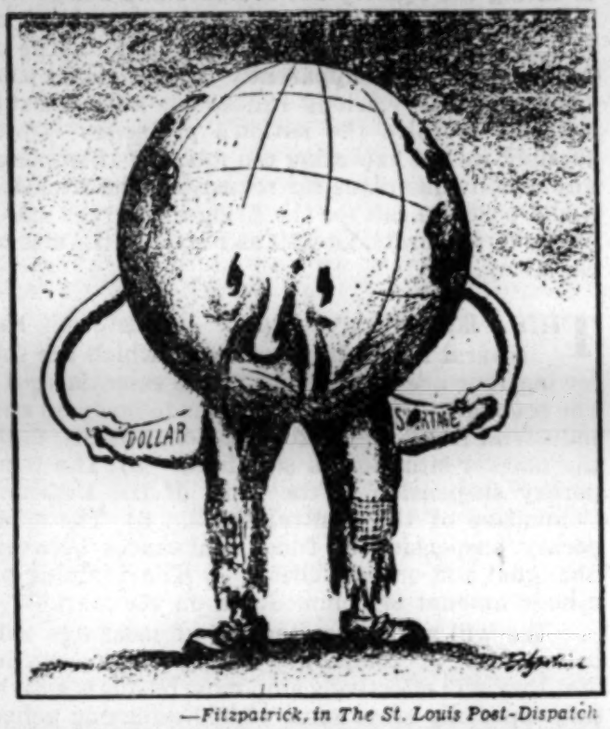
In the United States, as well as in many other countries, the individual's property holdings of all kinds have long been considered a private matter concerning only himself and, of course, the tax collectors. Until 1941, when President Roosevelt, desiring to prevent private assets in overrun countries from falling under Axis control, ordered a survey of all foreign holdings in America, no official investigation had been made. Completed four years later, the survey revealed foreign assets of US$12,750,000,000. No attempt was made by the US Treasury to break down the figures into private and government holdings. According to the newspaper *PM* foreign holdings are still large. It estimates that today the figure is about US$14,000,000,000. At the end of 1946, however, *PM* states, the figure was US$16,250,000,000. The drop during the first half of 1947, the paper says, reflects the dollar shortage situation, with foreign governments being forced to sell their US dollar accounts and to liquidate their other holdings at a rate faster than they are built up.

However, *PM* claims, it is the assets of foreign governments which are being liquidated, not private holdings. In the cases of some countries there are grounds for believing that even today, with the world rapidly running out of US dollars, *private holdings by individual foreign citizens are on the increase.*

The Paris Conference report on the proposed Marshall Plan, which was submitted to President Truman by the 16 European nations which look to the US for financial aid admitted, "People refuse to invest capital in fixed interest securities and seek to transfer it into gold or foreign exchange; capital held abroad is left there and becomes a hidden private asset which brings no benefit to the nation as a whole."

The late Fiorello H. LaGuardia, former head of UNRRA said of Greece: "Greece needs help. But there are certain things that the government ...should do, but is not able to do, in her own domestic administration. In the first place Greece has a great deal of money abroad, and for all that Greece exports every possible, con-

One World, In Fact the Only One



—Fitzpatrick, in The St. Louis Post-Dispatch

ceivable method is used to keep that money abroad. I took that up with the deputy prime minister, Mr. Tsaldaris...He admitted it, and he replied that...'money has no fatherland.'"

Paul Porter, writing in *Colliers*, said, "Then behind the (Greek) Government is a small mercantile and banking cabal, headed by Pesmazaglou, governor of the National Bank of Greece and a shrewd and effective operator. This cabal is determined above all to protect its financial prerogatives, at whatever expense to the economic health of the country. Its members wish to retain a tax system rigged fantastically in their favor. They oppose exchange controls, because these might prevent them from salting away their profits in banks in Cairo and Argentina. They would never dream of investing these profits in their country's recovery."

The case of Greece is a good example of how many men of wealth—valuing their property above patriotism—absolutely refuse to aid their nation in this time of acute financial distress. The same situation exists in many other nations of Europe and Asia. While, as already pointed out, exact figures are almost impossible to obtain, a perusal of the transactions on the world's leading money marts shows without the least shadow of a doubt that huge sums are being hidden in the United States and other relatively stable areas. Egypt and Argentina, in addition to the United States, are thought to be havens for "refugee" capital from Greece. Egypt showed only US$8,500,000 in short term deposits by forsigners in 1941, while in 1947 the figure reached US$19,750,000. Argentina's foreign deposits went up from US$119,750,000 in 1941 to US$-181,000,000 in 1947. These are comparatively small sums, but they are only *short term* deposits in only two countries, countries not generally considered as financial capitals of the world. As noted in the foregoing, foreign holdings in America increased by more than *two billion* US dollars between 1941 and 1946.

Many observers are willing to place actual foreign holdings abroad at levels vastly higher than those shown by various goverment figures. Of Belgium, the Netherlands and Switzerland, *PM* says, "Here are three small European countries with a total population of 20,000,000 with short term assets in the US of almost US$800,000,000. This does not take into account their long term holdings. In the case of Switzerland there are almost 100...short term assets held in the US for every man, woman and child in Switzerland, an obviously absurd conclusion."

* * *

THE solution to this problem is obviously extremely difficult, if not impossible. Since the United States operates on the basis of a free economy in which private property is regarded as more or less sacrosanct, it is unlikely that the American Government will attempt to track down private foreign holdings and disclose them to the various needy governments. On the other hand, though, it seems hardly fair to soak the American taxpayer with never ending bills for propping up decrepit governments abroad when privileged nationals of those very governments are almost daily increasing their bank accounts in the United States.

Reviving German Industry

WHILE we recognize the need to revive the German economy to a certain level, both for the welfare of Germany and of Europe as a whole, not to mention the welfare of the American taxpayer, we wonder at the casual indifference with which characters like General Lucius Clay, US commander in Germany, lay plans for using some US$1,000,000,000 worth of surplus goods to "put Germany on its feet."

How is it possible, we wonder, for these men to forget so quickly the recent life and death struggle with the Germans? The State Department, as well as the War Department, seems very short on memory these days. Not only are US businessmen returning to Germany, but German businessmen are now making their first postwar trips to America.

While plans are being made for "business as usual," schemes are being laid in Germany, America, Switzerland, China and other places for the resurrection of Germany's international cartels. AND at the same time the Nuremberg Trials are still in session. It was especially interesting to read a small item in a recent issue of *Time* Magazine which listed some of the evidence presented at the trial of 23 I. G. Farben directors. Included in the evidence were excerpts from letters written by I. G. to the warden of the Oswiecim Concentration Camp.

I. G. wrote: 1) "In contemplation of experiments with a new soporofic drug, we would

appreciate your procuring for us a number of women."

2) "We ceceived your answer but consider the price of 200 marks a woman excessive. We propose to pay not more than 170 marks a head. If agreeable, we will take possession of the women. We need approximately 150."

3) We acknowledge your accord. Prepare for us 150 women in the best possible health conditions, and as soon as you advise us you are ready, we will take charge of them."

4) "Received the order of 150 women. Despite their emaciated condition, they were found satisfactory. We shall keep you posted on developments concerning this experiment."

5) "The tests were made. All subjects died. We shall contact you shortly on the subject of a new load."

Anybody who howls about reparations and who thinks the German businessman should be given a boost back into the world trade markets not only has a short memory, but just hasn't got good sense.

Unrealistic 'Plans'

WITH the announcement of the new economic plans—if one is charitable enough to call them "plans"—local residents this week were treated to a first rate example of the complete incompetence of some of the nation's officials. The "plans" for arresting the inflation and rising cost of living in Shanghai completely ignore the basic realities of the situation and, aside from a temporary stabilizing effect achieved by scaring the pants off of the local citizenry so that prices —and business—will come to a standstill for a few days, do nothing but advertise the frustrated helplessness of the feudal mind when dealing with 20th Century problems.

This, of course, is nothing new in that it is merely the latest in a series of pitifully unrealistic edicts "promulgated" from the top. In fact, for some time now these decrees, especially the economic ones, have reminded us of the pronouncements that used to come from the Manchu Throne during the last, befuddled days of the Empress Dowager, when she used to issue proclamations such as, "Henceforth corruption shall be abolished!" and then retire back into the palace, apparently secure in the belief that she had solved the problem of cleaning up her government.

As our American contemporary, the *Evening Post*, aptly pointed out, these regulations and proclamations are entirely senseless so long as the Government relies on the printing press for most of its revenues. The *Post* blames this almost entirely upon China's huge and inefficient army, the largest in the world, which, it says, is eating the country out of house and home. We would add that in addition to the army, which of course is the main problem, there is the horde of bureaucrats who apparently spend their time "dreaming up" various ridiculous, impracticable schemes to solve the nation's problems. Quite possibly we are expecting too much of them since any worthwhile plans for remedying the situation would perforce call for the firing of a great many of the bureaucrats, as well as reducing the size of the army.

* * *

THIS latest bureaucratic brainstorm has several interesting points, of which the following four are supposed to be the essentials: 1) The temporary suspension of loans to business and industrial firms by the four national banks, until the market situation is stabilized. 2) The temporary suspension of the work of the Discount Committee of the Central Bank. 3) The temporary suspension of fund remittances between Shanghai and outport cities. 4) The dumping of a huge amount of commodities on the market.

We will agree that these four measures will bring about a "temporary stability" of sorts in that they will effectively stop most business activities, especially since some 10,000 economic police are to be prowling the city, peeking into warehouses, looking at people's ledgers, etc. We would suggest that the same result could be obtained, temporarily, of course, by placing Shanghai under a 24 hour curfew for a few days. People would not be able to leave their houses, nothing would be bought or sold and presumably prices would be "temporarily" stabilized without really getting at the root of the problem.

Seriously, such types of regulations are so unsound economically and so short-lived in their effectiveness since they depend upon terror and police force, that no sensible person can greet them with anything but head shaking.

At the time of the Japanese surrender, the Nationalist Government had better prospects for the future than at any time in its history. It had a chance of making peace with the Communists and, for the first time in its life, it had no foreign power ready to pounce on it. It had the goodwill and support of the United Nations. It had a sizable reserve of foreign credits and the promise of much delayed lend-lease supplies, surplus property sales, UNRRA aid, a prospect of an Export-Import Bank credit, etc. All these things were before it.

The history of the past two years has showed that the Kuomintang guessed wrong. It has used up what it had and what it was able to get. It has, through its incompetence and failures to deal successfully with the military, economic and political situations, ruined what hope it had for aid freely given to a sovereign nation by its allied and friendly neighbors. It may get more aid, but that aid, it is our guess, will be forthcoming from a rich uncle to an impoverished nephew who will be required to enter into rather mortifying commitments, involving the loss of some of his independence of action.

Apologists for the Kuomintang's actions are always quick to yelp about "Communist Rebellion," "Russian aid," etc. While we do not admit the complete correctness of such assertions, we would say that if everything the Russophobes said about Soviet actions in China were true, the Kuomintang — considering the aid given it by America and the United Nations—should still have erradicated the Communists by now. It not only should have, but darn well could have, if it had been really competent. Instead, the Government, used to a nice easy drift from the day of Pearl Harbor until VJ Day, refused to clean house and face its problems realistically.

* * *

WE will not dwell upon the failure of the Chungking peace negotiations or the Marshall Mission other than to say that shortly after VJ Day the Kuomintang decided to engage the Communists in a military struggle for complete domination. Whether or not this decision was forced upon it is of little matter now. The Civil War began and it was up to the KMT to run its part of the country in a manner best calculated to enable it to win the war.

Premier T. V. Soong began paying for the war by selling the National Government's gold hoard on the blackmarket. He also welded a large number of puppet and enemy factories into state monopolies, the profits from which went into the war chest. Enemy and puppet property of a negotiable nature was sold to the public. The island of Taiwan, China's richest war prize, was effectively looted, the proceeds put into the war chest. UNRRA dumped about US$500,000,000 worth of supplies into China, virtually all of which went into Kuomintang-controlled areas. Well over US$500,000,000 worth of surplus war property was sold to China *on credit* by America.

This is only part of what the Kuomintang has expended during the last two years. To what avail has it been spent? Have the Communists been defeated? Has the country been rehabilitated? The fact of the matter is that conditions are worse than during the darkest days of the Japanese War. If the Kuomintang-dominated Nationalist Government expects to continue long in office it simply must reform. The demoralization is now so great that only drastic purging of party and government lists will weed out the rot. If this is not done, any new foreign help will be largely wasted. It is a simple historical truth that in times of revolution the old regime collapses unless it reforms. The old regime is never able to restore the status quo for any appreciable length of time. The KMT has a fine example of what not to do provided for its guidance by the Manchu Dynasty, which refused to reform, which employed foreign aid to put down two internal revolutions and finally collapsed ignominiously, deserted and despised by the people it had so long governed.

* * *

THE time is getting short. Manchuria is virtually lost, North and Central China are threatened. South China is filled with unrest. Even in Pootung there are Communists. Decrees ordering the people not to aid the Communist 'bandits' and edicts telling them not to increase prices will not work. Good government is what is needed to defeat the Communist 'rebellion.' The excuse that the good government will come as soon as the 'bandits' are suppressed is not valid. The people must be drawn into the war on the side of the KMT if Nanking is to win and this requires first of all reform. If Nanking can reform, anything is possible.

25 Years Ago In The *Weekly Review Of The Far East*

Fictitious Cry

December 2, 1922.

Japan has enough territory. Since the Washington conference she has abandoned her fictitious cry of requiring more territory for her 60,000,000 population. Attention being directed to the sparsely settled island of Hokkaido, the second largest in the empire and by far the richest in agricultural possibilities, put an end to that cry...She wants unrestricted fields for the produce of her mills and factories which are growing in number despite the normal rise in labor costs. For the life of the present government, at least, she has enough ground on the mainland of Asia. This she wishes to exploit before seeking new fields. To use a military phrase, she is now consolidating her gains. (Charles Dailey.)

* * *

Absence Of Law

The present absence of law in China which is held fast in the clutches of her militarists is really apalling, in that the effect is felt throughout the length and breadth of the country...A group of military buccaneers have been engaged in the busy game of personal profit and selfish aggrandizement. Troops are maintained for the protection of their paymasters, and the people take but a passing interest. Government revenues are turned into private incomes, and the free retention of revenues for personal administration on the part of officials make the controlling government finally forgotten by the provincial heads, hence the collapse of the Peking government as the controlling central organ of China. (Peter S. Jowe.)

10 Years Ago In *The China Weekly Review*

Japan The Peacemaker

December 4, 1937.

Purposes of Japan's operations in China, Premier Konoye said in an interview, are to "make the National Government abandon its anti-Japanese policy, to carry out a thorough purge of accumulated events in Sino-Japanese relations, and to establish perpetual peace in the Far East." This always has been Japan's aim and it "will never change," he stated. "If the National Government of China revises its anti-Japanese policy and shows a willingness to co-operate, reconsiders its attitude and extends its hand toward Japan for negotiations in earnest, Japan would be of a mind to accept these advances. If such consideration is not shown and the Chinese Government continues its protracted resistance, Japan has no choice but to go on until a crushing blow is dealt."

* * *

Doubtful Privilege

China has the doubtful privilege of being Japan's next door neighbor. She is the greatest sufferer from Japan's policy. But she is not the only sufferer. Great Britain and the USA have had a foretaste of what they may expect in the near future if she should conquer China. Latin America, India, Egypt and Australia are flooded with Japanese subversive propaganda...Japan has not yet brought into slogan form her attitude toward other countries, but we trust her unimaginative propagandists to repeat the same set of slogans, which have proved so effective up to now, whenever their ambitious militarists turn their eyes toward another territory whose people they will have the divine calling to save from the yoke of its government. (Henry Trevor.)

League Ban: Blow Or Blessing?

J. L. Tien

TOO many competent observers in Nanking and Shanghai, the "banning" of the Democratic League, a minority party in China, on October 27, came as no surprise. Many of them predicted this action long ago. With the enforcement of the "General Mobilization for the Suppression of the Communists Bandits" by the National Government, the fate of the League was sealed.

According to a dispatch published in the November 8 issue of *The Observer*, long before the order outlawing the League was issued by the Ministry of Interior, papers affiliated with the military organs and the "party," meaning, of course, the Kuomintang, in Nanking, had already started the campaign for the suppression of the League, and had openly advocated the "launching of an expedition against the Democratic League." The various cultural organizations under the so-called "Central Cultural Promotion Movement Association" in Nanking had issued circulars demanding the "dissolution of the Democratic League." This "demand," according to their report, had received quick and wide response from other cultural organizations in other places. Many observers know that under the doctrine of "following public opinion," the ban was not far off.

Campaign Goes On

Carson Chang, the leader of the National-Socialist Party in China, in his recent statement published in *Rebirth*, an organ of his party, also launched an attack on the League when he accused the League of refusing to give lists of delegates to the National Assembly held last year, and said it "was influenced by Chou En-lai," the then representative of the Communist Party in Nanking. According to the dispatch in *The Observer*, Chang's statement was quickly circulated by the *Central News Agency*, and was published under big headlines in many papers in Nanking. All these were apparently intended to intensify the anti-Democratic League feeling among the people, but they also signified clearly the direction in which the wind was blowing.

But it may be of some interest for us to point out that the suppression of the Democratic League and the signing of the Sino-American Relief Agreement in Nanking took place on the same day—October 27. Although this may be a mere coincidence, *The Observer*, an independent and liberal weekly magazine in Shanghai, in commenting on the situation, had the following to say:

"We now realize that in the past the Government had shown special tolerance toward the Democratic League because of economic difficulties. As soon as the economic problem is solved, the Government will not hesitate to take arbitrary actions to deal with the League—a party which has hitherto refused to recognize the Constitution (promulgated by the National Government on January 1, 1947) and has stubbornly struck to the agreements reached in the Political Consultative Conference." (See *The Observer*, in Chinese, November 8, 1947, p. 14.)

The Observer then went on to explain how Dr. Wang Shih-chieh, Minister of Foreign Affairs, in going to the United States, although ostensibly to attend the General Assembly of the United Nations in New York, "spent a large portion of his time in Washington in conferences with President Truman and Secretary of State George C. Marshall." On the day of his return to China the Sino-American Agreement was signed, covering US$30,000,000 worth of relief supplies. A further American loan to China was also reported.

Change In Policy

In the opinion of *The Observer*, "the suppression of the Democratic League took place after Dr. Wang Shih-chieh recognized that there was a change in American policy in China for the better as compared with two months ago." (p. 14.) By two months ago, it meant, obviously, the time when the Wedemeyer statement was made, on the eve of the latter's return to America.

How much truth there is in this conclusion reached by *The Observer*, we are not in a position to argue. But according to the *Associated Press* report from Washington, dated October 28, it seems to us that Washington officials may have had some knowledge of the impending ban of the Democratic League in China, for the said report pointed out that "the authorities told a newsman tonight that intimations had reached Washington recently that the Chiang Government might be planning some action against the League.... The American reaction to this first sign was described as unfavorable .... This attitude is understood to have been expressed to Chinese Government leaders in Nanking.... United States diplomats there, it was said, advised the Nanking Government that suppression of the Democratic League would produce a bad reaction in liberal circles throughout the world."

In this connection, it is of some interest to refer back to what was discussed by *The Observer*.. It said *inter alia*: "....While Dr. Wang Shih-chieh was doing all that he could in Washington to assure President Truman and Secretary of State George C. Marshall on the inauguration of a democratic Government and the holding of a fair election, the Ministry of Interior went ahead to declare the Democratic League an illegal party." (p. 14.) *The Observer* classes the present Minister of Foreign Affairs as a "Political Science Clique man," and the Ministry of Interior as the "C. C. Clique's."

Long Conflict

It seems to us that *The Observer* purports to show that the long conflict between the two cliques has also had a hand in the ban of the League.

The Observer **further pointed out that on the day (October 27) the Ministry of Interior took this action, President Chiang Kai-shek had left in the morning for Lushan "to avoid the celebration of his birthday." That is, this macabre affair took place while the President was away from the national capital.**

On the next day, lengthy documents showing the League as "engaging in an armed conspiracy against the Government with the Communists Bandits" were released through the *Central News Agency*. A few days later, the English version of these documents was also released by the Government Information Service for publication.

We are of the opinion that the whole act to ban the Democratic League is by no means a simple one, and that there must be many inside stories and a great deal of intrigues to be told. It is certainly not a sudden, but, rather, premeditated and organized action to put the League out of existence, details of which only future writers and historians will tell.

Whose Gain?

The Democratic League has been declared an illegal party. But the question is: Which side—the Government or the League—in fact, stands to gain or to lose? Will the ban result in delaying the American loan to China? According to the same *Associated Press* report, "there was some speculation that the action (ban) might complicate the review of American policy toward China now being conducted by top State Department officials." What will be the consequence of the ban?

Secretary of State George C. Marshall is known to have strongly favored the inclusion in the National Government of a greater representation of liberal leaders and the delegation to them of real power over national affairs. In his recent press conference, the Secretary of State is reported to have been "still hopeful

that the National Government will take in representatives of other parties, broadening its political base and making it more nearly democratic." What then is the American China policy in general and the American loan policy in particular? These are some of questions which are frequently asked nowadays as a sequence to the ban of the Democratic League.

In a leading article entitled "My Impression of the Suppression of the Democratic League by the Government," published in *The Observer* of November 8, Tung Shih-ching, a noted writer and economist, has answered some of these questions. In his opinion, there is no doubt that the ban is a blow to the League, but, at the same time, "it gives a kind of help to the League," in as much as the League now receives much publicity and sympathy from critics, Chinese as well as foreign, which it would otherwise have been unable to receive. "From the standpoint of the Government itself," he said, "such an action will possibly result in more loss than gain." (See *The Observer* of November 8, 1947, p. 4.)

Still Hope

"Although the people in this country hate the corruption of the officialdom, nevertheless the people still believe that under the Government there is some freedom. The very reason why the people hate the Communists is because they give no freedom to the people. Therefore, if the Government is wise enough, it would meet the public wishes by providing the people with freedom. The existence of an opposition party bears an eloquent testimony of such a freedom. The United States can produce such an evidence by pointing out the freedom which Mr. Henry A. Wallace enjoys in voicing his opposition to the government policy, while the Soviet Union cannot," the writer pointed out.

Continuing, the same writer said: "In combating Communism, the sharpest weapon is not the bomber or artillery, but the support of the people attained by wiping out corruption and by demonstrating that the Government is a democratic government. The principal cause of the present deadlock is that both sides believe too much in force and neglect entirely the will of the people. If the people are really anxious for a revolution, as thirsty as they are for rainfall in the days of drought, the revolution will succeed. The side which is sincere, and which puts national interest above all others, demonstrates thoroughly the remarkable spirit of toleration, and wins the support of the people, will win at the end. Why does the Government not adopt such a policy?"

After expressing his opinion "that high handed actions alone cannot suppress a revolt," this noted writer pointed out that "in dissolving a party, we can only dissolve its outward form, but not its spirit."

Liberals Protest

Similar resentment is also expressed in a circular entitled "Our View of the Suppression of the Democratic League by the Government," issued by 48 professors and liberals, and published in the same issue of *The Observer*. The significance of this circular is that among 48 signatories, there are some members of the Kuomintang, some members of the Central Executive Committee of the Kuomintang, and some members of the People's Political Council. In this circular, some legal points of the suppression are raised.

First, assuming that the Government accusations are true, and some members of the League have joined in Communist activities, their individual conduct should not in any way have an effect on the legal status of the League itself. "During the period of our Resistance, for example," pointed out the circular, "some members of other parties even went over to the enemy-puppet side. But we could not treat that party as a whole as a traitorous party."

Secondly, when the Democratic League is dissolved those who commited no crime should not be punished merely for being members of the League. "The placing of members of the League in Nanking under surveillance as well as the forced registration of the League's members, as reported, is most unreasonable," said the circular.

Thirdly, if the people are under suspicion, they can be arrested and tried, in accordance with the law. In case of political suspects, they must be given a public trial and a chance to defend themselves. Recently, there have been too many cases of "disappearance" reported from various places, and "these are signals of the violation of the rule by law, and constitute a damage to the national prestige," the circular emphasized.

This circular concluded by urging the Government "to reconsider" the ban on the Democratic League, to deal with the League's members with full justice after the dissolution of the League, and to exercise a greater spirit of self criticism and toleration.

We believe these quotations are sufficient to show popular Chinese resentment regarding this latest development—the suppression of the Democratic League, a minority party, headed by aged men and old scholars and *without* any army. But what remains to be seen is the ban and its possible influence on American policy in China. Will the conclusion, as reached by *The Observer*, be correct? Will the extension of American aid to China be now conditioned upon the inclusion in the National Government of a greater representation of liberal leaders, broadening of the political base and "making the government nearly democratic," as is so ardently hoped for not only by the Secretary of State of the American Government, but also by the majority of the Chinese people? In fact is the ban a blow or "a blessing in disguise?"

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Through Form To Substance; A Glimpse Of Taiwan

Harry Barnes

RECENTLY I visited Taiwan (Formosa) for a few days' vacation. As important in my mind as a vacation was the opportunity to see some of the changes brought about in Taiwan by the Central Government of China, the successor there to a vanquished Japan.

From Shanghai's much improved Lunghwa Airport, I boarded one of CNAC's American-captained planes. The routine for weighing in passengers and getting them onto the planes was far more efficient than it had been a few months before. Plush seats, airsick bags, rubber rafts and a portable radio set were all part of the comfort and safety plans provided for the passengers.

Much of China affords to the air traveler superb contrasts of terrain and color. From Shanghai to the sea, this journey was not disappointing in this respect. Rice paddies, canals and foot-paths joined countless villages in an ever changing and an ever interesting panorama of the crazy-quilt pattern variety. Then, the land mass slipped away into a vari-tinted sea of greens and blues.

Three-Hour Flight

Just short of three hours flying, I could distinguish the coastline of Taiwan appearing betwixt fluffy billows of snow like cloud formations. In just a few minutes, the sharp contrasts of the hills and valleys were clear. On such a day as this Formosa's greens are most pleasing to the sun-tired eyes. All shades were there—from the waving rice paddies in the valleys up the neatly terraced hillsides to the fern and evergreen-cloaked mountains. To a visitor, this emerald isle taunts the imagination. How much you want it to be a paradise commensurate with Nature's dress. Yet, from what you have already read and heard, you brace yourself for discovering that the natural grandeur is just so much deceit and camouflage hiding, or attempting to, an ugliness that is festering throughout the social, political, and economic life of 6,500,000 people.

Just as the sixtieth minute of the third hour ticked away, the pilot was taxiing up to the one good hanger of Taipeh's airport where, in a very few minutes, I was to begin a wait for transportation into town. I had enjoyed the view as we came in, but I soon was to appreciate the ground perspective quite as much.

Taipeh is Formosa's first city. However, the CNAC airport there could hardly be compared with the "spit and polish" job at Lunghwa. Nippon's Rising Sun flag had been flying there not so very long ago. It, and the airport over which it flew, had been at least once the target of some Yank airman's accurate bombing. One hangar was only bare steel ribs. What had probably been the administration building was now definitely unusable. There was no waiting room, nor any benches on which to wait for the tardy bus which was to carry us to Taipeh, some ten miles away.

As I waited, a certain curiosity developed concerning the presence of so many new and late model US automobiles occupying most of the shade cast by the one undamaged hangar. It was overheard that Governor Wei Tao-ming was leaving for Shanghai. I began to think that everybody who was anybody in the Chinese Administration had come to see Governor Wei Tao-ming safely on his way. Dignifiedly late and under proper military escort, the dapper little governor appeared. He was nattily dressed in a brown business suit of western cut. Following the appropriate handshakes, congratulations and well wishes, smiles and nods, the pocket-Governor boarded the plane with his small party. The host of new cars began a caravan back to Taipeh where the administrative executives undoubtedly would resume their watch so that Taiwan would be ready to meet the little governor when he should return.

In Taipeh, I picked up my light travel case and was soon on my way to a delightful mountain hotel to which the China Travel Service directed me because the regular Guest House was full. I elected to stay in a Japanese-style annex near the main hotel, which was just an hour from Taipeh via the busline which gave hourly service. It proved easy to spend a great deal of time in town without undue worry over transportation.

Good Quarters

The lodging was excellent. No bombers could have detected it, had there been any, for it was too nicely integrated with the hillside and its copious greenery. The trees, the ferns, the splashing of gurgling mountain streams, the cry of birds, the cool air, and the songs of near and far cicada composed as pleasant a contrast from the noise and babble of Shanghai as one could hope to find. The hot sulphur baths were as relaxing as they should be. The food, of Japanese type, was clean and tasty and fitted the pattern of the next few days' domestic living.

Up to this time, the form of what could be seen lent support to an earlier speculation about Taiwan being some sort of earthly retreat just short of the City Limits of Nirvana as Nature surely intended it to be. The substance that is Taiwanese life today, in spite of all the natural charm of her geography, is fraught with stresses and strains.

The first clue to economic distress came with the information that it would cost me 300 yen for my Japanese cottage and another 300 yen for every meal I might feel that I could afford. At the prevailing exchange, 750 yen for one US dollar, the cottage cost about US$.40 per night and each meal the same. This figured out to the enormous sum of US$11.20 per person for a week, inclusive of three meals per day. Just to prevent the guest from feeling overcharged, any necessary laundry was done daily. American currency was not used, however, as yen could be purchased as needed with Chinese National Currency at the rate of CNC$53 to one yen on the open market. It was learned a couple of days later that a new exchange regulation had been "promulgated" establishing the sources for converting currency and establishing the rate of CNC$72 to one yen. As it was not clear to what purpose the differential of CNC$19 would be put (the difference between the "open market" and the regulated market when buying yen with CNC), it was good to have already purchased my needs when the exchange was more favorable.

Stories Numerous

Many stories were to be heard during the next few days. Many of them merely corroborated some already heard or read in Shanghai. Though the UNRRA staff in Taipeh and the American Consul were among those with whom I talked, the opinions and conclusions herein are personal and should not be construed as involving these other persons in any "controversial issues." On the other hand, it is not possible to reveal the identity of the Taiwanese with whom I talked for reasons obvious to those of you who finish this thumbnail sketch of "liberated" Taiwan.

For the sake of perspective, let us dwell for a few moments on certain background references on Taiwan.

A few hundred years ago, Southwest Pacific islanders—including some from the Philippines—set out to find a new homeland. No one knows the number of native boats capsized by the open sea, but many of these people safely reached present day Taiwan. Subsequent studies reveal at least seven different tribal people, now referred to as aborigines. These peoples, while being similar in that they were primarily nomadic hunters, possessed certain characteristic differences. In the case of one tribe, the women occupied the superior position, i.e., a chieftess rather than

a chieftain; a priestess rather than a priest, etc., etc., while in the case of another tribe every personal triumph and the removal of every tribal stigma depended on bringing back some unfortunate's head. Not much is known about the inter-tribal warfare, but it must have been frequent and sometimes severe.

The island home of these people is shaped somewhat like a giant amoeba and extends some 200 miles in a northerly and southerly direction, being approximately 70 miles at the greatest breadth. Spiney mountains rise abruptly from the eastern coastline and form a ragged ridge for most of the island's length. Much of the western side of these vertebrae like mountains falls away into alluvial fans and plains which are, in turn, merged with the blue waters of the Formosa Strait which runs below the pregnant like bulge of the China coast.

Chinese Arrive

About 200 years ago, many Chinese from Fukien Province south to Canton, in Kwangtung Province, began to traverse the Straits for fishing and trading. Some sought to remain in Taiwan in preference to returning to the grim life they led on the Chinese mainland. As is the case with most pioneer people, they were trying to leave hardship behind or to find greater riches away from home so that upon returning life would be easier.

The Chinese settlements began and persisted in the face of aborigine opposition. The ensuing process was similar to that of early Americans who hued homes from the wilderness and destroyed the Indians in the accomplishment. Some of the contests were exceedingly harsh. Many a Chinese lost his head to aborigine head hunters, while many an aborigine, not being considered human by the Chinese, ended up in the form of steak and barbecue meat in the big cities of south China.

Japanese Arrive

The ultimate Chinese administration that grew up in the island became afflicted with the disease that has frequently occurred during the long history of Chinese government, i.e., corruption and greed. The fable of the man who killed his goose that laid a golden egg in order to get them all at once describes with tragic accuracy the wisdom of so much of the old as well as modern Chinese government. Consequently, when Japan began to eye the island as a desirable extension of Nippon and sent an expedition to Taiwan to punish the aborigines who had "borrowed" the heads of some Japanese shipwrecked fishermen, the punitive trip revealed to the Japanese other information concerning the weakness of the Chinese in Taiwan and confirmed the potential value of the island to the Emperor. In 1895, title and possession to Taiwan changed hands.

During the 50 years that Japan exploited Taiwan, it was apparent that she planned to stay; and she did much to nurture and improve the health of this lovely little goose in order that each day the golden egg would be a little bigger and of just a little higher karat. As we shall see, Japan mulcted the Taiwanese more scientifically than did the Chinese, and the yield was considerably greater.

Japanese engineers, agricultural experts, educational advisors, military strategists, and administrators wove their respective specialities into a scheme for Taiwan that was to make it a neat part in the elaborate plan for a greater Asia. The raw materials for these specialists of imperialism included many vital factors. There was a nice little labor pool of over 6,000,000 people. The earth was fertile and produced everything from pamalo to rice from its skin and yielded from its bowels coal, oil and other ores. The spiney mountainous vertebrae channeled fast streams for abundant hydro-electric power to drive industries manned from the cheap labor pool. The giant amoeba was, coincidently, an unsinkable aircraft carrier athwart the south China sea lanes as well as being large enough for staging troop formations which might be needed in any direction—and quickly. Indeed, all these factors merited the most dilligent application of the specialists' energies to develop industrial potentials—and with thoroughness their energies were applied.

Engineers blue-printed railroads, highways, hydro-electric stations, a deep harbor at Keelung and factories to use the farm hands who became idle as the agricultural specialists made the land yield more with less manpower.

Literacy Sought

The educators effected a broad attack against the islanders' illiteracy —not that the people should learn about self government of the American "free enterprise" type or of the Russian Marxist type, but that they might understand better modern farming instruction and learn more quickly to adapt to the machines of modern transportation and industry.

Japanese doctors, as literacy increased, swung increasingly successful hammer blows against malaria, T.B. and other tropical diseases—except pneumonia, which, as an industrial disease, almost cancelled the gains made against malaria. Public sanitation improved greatly, being supervised as it was by the ever present Japanese police. Some of these habits of sanitation have not yet been lost as can be witnessed in certain sections of Taipeh on early morning strolls. It was gratifying to see storekeepers moving furnishings about and mopping places that so often never feel a broom and to see the sidewalks washed off and the debris going into three-foot deep concrete walled gutter drains. I speculated on how many broken legs occurred from people inadvertently stepping into these open "tank-traps," but I came closer to stepping in them than did any of the native pedestrians I watched. All the health measures of the Japanese did not seem so much humanitarian as they appeared to be practical measures for guaranteeing a daily output from a healthy population which is to be much preferred to a daily output from a sick one.

The Japanese administrators probably had their luxuries and pleasures, but they had them with their own kind and in as Japanese an environment as could be transplanted to Taiwan. As far as the native population was concerned, it was all business and discipline and the supervision extended to nearly every nook and cranny of the island. The aborigine was "put in his place" by periodic extermination campaigns and those who were not eliminated were effectively bottled up in their mountain poverty by carefully designed border patrols and intermittent police stations. No aborigine could cross the "line" without the proper ceremonial bows and police clearances.

Power Introduced

Yet, electric lights burned in nearly every point of the island—even the suppressed aborigines, for the most part, had them. The high power transmission lines following the contour of the hills and valleys reminded me of the United States. Concrete highways stretched like silver ribbons through the green rice fields to join Taiwan's chief cities and towns. An efficient bus monopoly carried Taiwan's carless population where railroad service was incomplete. Delightfully landscaped gardens and Shinto shrines are accessible from almost any point. An expertly prepared museum portrayed the geological and industrial character of Taiwan, of its varied wealth. For posterity, tribal crafts and art adorn countless showcases. Competent taxidermy preserves excellent specimens of native wild life—mammal, fish and fowl. For the student, this museum capably reveals the transition of Taiwan from its primitive yesterday. The public health had never been better. There was practically no venereal disease, T.B., or malaria. Every child was learning the Japanese equivalent of America's three R's through a compulsory education system. Every able-bodied person had a busy daily routine—practically no unemployment, no beggars, no kiddies shining shoes on the streets. Administrative discipline was such that individual industry became a habit, and the fruits of physical labor were increased by such addendums as a narrow gauge railroad for push carts which ran through rich fields and joined sub-shipping points. Larger loads could be pushed than with the primitive Chinese type wheelbarrows.

Chinese Return

With all the advantages noted above, with better health, with increased productivity, why should the Taiwanese have been jubilant on VJ Day—happy to see the Japanese go and loud in their reception of the Chinese Governor Chen Yi who represented one of the Big Five of the victorious allies.

The principal explanation lay in fact that, with all the science and modern efficiency, the Japanese Administration had avoided supplementing it with as much as one grain of equality.

The only fields of endeavor that were at all equal for Taiwanese as

for the Japanese were agriculture and medicine. These two areas of study were open to Taiwanese so that native agriculturalists and native doctors would be developed for contact work with the native population—but under Japanese supervision. Discriminatory examinations were the method of "weeding out" Taiwanese students in the schools. Consequently, in the schools that were advanced beyond the three R's, the Japanese student body was much greater than the Taiwanese student body.

All senior administrative posts were for the Japanese. Japanese doing the same work as Formosans received higher pay. The wealth output of the island grew yearly, but the greater portion did not remain for island consumption. The wealth was shipped out of the efficient harbor facilities by efficient Taiwanese labor. There naturally grew a deep resentment against the Japanese who had converted illiterate Taiwanese into a literate industrial slavery.

Nanking's choice for Governor, General Chen Yi, came to Formosa as a liberator. He stayed as a conqueror. That explains why he was welcomed as a hero following VJ Day and why he left Formosa, in April 1947, a failure both as a liberator and as a successful conqueror.

Taiwanese Ejected

Chen Yi's mainland administration supplanted the Japanese administration 120 percent. That is to say, not only all former Japanese posts were assumed by the Chinese, but many that had been held by Taiwanese under the Japanese were also assumed. Chen Yi seemed to emulate the Japanese ruthlessness, but without the touch of Japanese science. Almost any family member of a mainland administrator was assured a sinecure. In one girls' school, where there had been an administrative staff of four under the Japanese, the mainlanders increased it to 25—the equivalent of one administrator for each teacher in the school.

As might be expected, there existed many Japanese laws which should have been repealed. But Taiwanese explain, with bitter irony, that the most beneficial laws, such as quarantine and public health provisions, were repealed while the war-tax continues in effect under the Chinese. During the past two years, T.B. has taken a new and frightening hold on children. In 1946, the first cholera epidemic in nearly a quarter of a century wracked thousands of the islanders. Venereal diseases are again a major problem. The old scourge, malaria, is on the rampage again after many years' absence. It is commonplace talk that a mainland Chinese doctor holding a high administrative post was selling a patent medicine advertised to cure T.B. This same doctor is alleged to have strongly urged UNRRA not to bring atabrine into the island for use against the malaria epidemic. Could his reported association with a great Chinese quinine monopoly be purely coincidental?

The school system of Taiwan was to be redone, but fast. Taiwanese teachers were dismissed. Mainland Chinese teachers came in. Japanese had been taught. Chinese would be taught now. Every student is now learning Mandarin, whether he learns anything else or not. For advanced Mandarin students, the educational process has come to a stop for there are no text books printed in Mandarin. The compulsory feature of education has now stopped. Tuition is paid where it was free before. There are still many children in school, for the school going habit does not die easily, but many more cannot pay the fees.

The Chinese have shown no more desire for equality than did the Japanese. The top positions are all held by Chinese and where Chinese do similar work to a Taiwanese, of course, the mainlander gets better pay for it. Basic pay is very low. Taiwanese laborers are paid as little as 3,000 yen per month (equivalent to US$4). A top clerk will earn between 9,000 yen and 10,000 yen per month (equivalent to between US$12 and US$13.33 per month). In Asia, wages lag much farther behind inflationary prices than they do in America—the Taiwanese have seen 500 percent inflation in two years. People with families cannot make ends meet. Beggars, thieves, prostitutes, shoeshine boys are now plentiful.

The police method still exists under the Chinese as under the Japanese—again without the beneficial aspects of the Japanese method, which put a heavy burden of health administration on its police. The police are always looking for Communists. Sometimes, if there is insufficient evidence, a firearm may be "planted" in the suspect's yard and "found" the next day. This, usually, is sufficient evidence. Often there are desertions from the Chinese occupation army which seems to serve the dual function of "preserving peace" in the island, while at the same time training for "anti-bandit," i.e. anti-Communist, campaigns on China's mainland. Since the Chinese military commander is responsible for keeping his units up to strength, deserters must be replaced. Taiwanese youth seem as likely a source for "volunteers" as any other—they are at hand, too. This is another advantage of operating a police state.

Stuffed Shirt

It should be no wonder then, particularly to Americans, that Taiwanese leaders discussed, first among themselves, and then later presented their problems directly before the "liberators." But Governor Chen Yi was indignant with righteousness—the kind of righteousness of a stuffed shirt pulling his rank against subordinates for making observations and recommendations. There was no trouble in the Emerald Isle, brilliantly reasoned Governor Chen, that was not caused by Communist agitators.

There is only one way to treat Communist agitators and that is rough. They are supposed to understand that. There followed the infamous massacres beginning February 28, 1947, before the "liberators" ceased flexing their trigger muscles. Official estimates put the number of deaths at about 10,000; some Taiwanese say it was nearer 40,000. Perhaps it is unimportant how many actually perished, as life in Asia is considered "cheap." It seems strange, however, that the largest portion of deaths included nearly all

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of the intelligensia, including the English-speaking ones. It does not seem to have occurred to anyone how there came to be so many Communists in Taiwan so soon after the demise of Japanese supervision which had a pretty efficient anti-Communist record. It is not generally known either that the head of the Taiwan Kuomintang Party gained considerable favor with the Taiwanese when he conspicuously omitted sending cables to Nanking blaming all the trouble on the Communists during the days when Governor Chen Yi was doing just that.

Today, nine months following this bloody affair in February, there reigns an eerie, soft, uncertain quiet—the kind of quiet of a child that has been mauled and beaten for asking for justice and then beaten more until its fear causes it to stifle its sobs even though the body burns and hurts. Several Taiwanese hoped that American leadership would take over the island. Then and only then, would they have any peace from the injustices of the "hawks," the disparaging Taiwanese reference to the Chinese mainlanders. The Taiwanese hope that when the peace treaty is signed with Japan somehow Taiwan will not come under the tutelage of the Chinese. My informants seemed to have no ideas about whether they believed their lot would be improved should the Chinese Communists win in China's Civil War, at least they did not wish to discuss the matter with this American. When their attention was called to the fact that American prestige with the Taiwanese had fallen during recent months, my informants denied this was true —but I thought I detected less conviction than had accompanied the telling of other stories. True, they could not appreciate all-out American diplomatic support to the Chinese Nationalist Government when their lot was so hard, but they were cautious not to offend me, an American. I felt wretched inside when I could see how blind indeed justice can be when power politics is the order of the day.

The Question

It will not be long, I think, before Americans will realize that we are a very, very unpopular nation. We will search ourselves, shallowly, and wonder how this can be. Have not Americans contributed most to winning the war against fascism and reaction in the world? Have not Americans sent abroad millions of tons of food, machinery—and military equipment with instructors? Have not Americans been generous to the point of high prices and shortages at home? What more can be expected of us? How can we be despised?

Yes, we have been generous. But too often to the wrong people abroad and with the wrong things—war materiel, for example, in peace time. We Americans seem too prone to overlook the fact that in Asia there are the rulers and the ruled; that the ruled have many legitimate needs and demands; that the rulers are determined that the ruled will remain in their places. When we give reactionary regimes assistance, we do so as if we really believed that the people under them will benefit. It is shockingly ironic to recall some of the reasons for America's "Boston Tea Party" and the Revolutionary War which followed and to compare the aspirations of our forefathers with the aspirations of Asia's millions. Have we Americans lost our ability to look through the form of conditions in Taiwan—in Asia—to see the substance of the conditions there? If we do not recapture this virtue, when we do realize our unpopularity, we will be unable to explain it and will probably rush into a foolhardy isolationism with righteous indignation. We will never know that our extended hand of friendship missed the people who needed it and who would have appreciated it.

While there is yet time, let us endeavor to avoid the dismal fate described long ago by Aesculus:

Alas, the fates of men.
Their brightest bloom a shadow blights,
And in their evil day an oozy sponge
Blots out their fleeting prints.
From bad to worse their changes run,
And with the worst they end.

Chinese Elections In The US

Edward Rohrbough

(Special Correspondent, The China Weekly Review)

New York, Nov. 22.

IF it illustrates anything, the case of the absentee-elections the Chinese Government had proposed to hold in the US illustrates the deplorable, but undeniable apathy of the American press and the average American citizen to anything Asiatic. Although the elections had been announced and publicized in the Chinese-language press in various cities, and although several candidates had embarked openly on extensive publicity campaigns, the American press took no notice of the impending elections until this correspondent reported them in *PM*, October 12.

The elections were originally scheduled for Dec. 21, 22, and 23, and in them Chinese citizens or people of "dual nationality" would have elected six representatives to the National Assembly at Nanking and one member of the Legislative Yuan. A State Department spokesman offered the opinion that the elections were probably in technical violation of U.S. sovereignty, but he didn't expect any official action to be taken by the U.S. Government about them.

"There's nothing very dangerous to the USA about the Chinese holding elections," he said, "so no one has paid much attention to them."

But if Poland or the USSR were to attempt to hold similar elections here, the spokesman thought official attention would be considerable.

He could remember only two other governments, aside from Nanking which had ever attempted to hold such elections in America—the governments of Hitler and Mussolini.

With further details, the above is the substance of the story carried by *PM* on October 12, yet the news made not even a ripple in the general flow of editorials denouncing Mr. Vishinsky, war-profiteers, the methods of Congressional Investigating Committees, and the nationalization of Britain's industry. Nor were there either pro or con letters to editors. People here were just not interested enough in these elections to pay much attention to them.

In Hawaii there was reaction to the elections. They were reported at about the same time by Koji Ariyoshi of the Honolulu *Star-Bulletin*, and people began asking questions right away. The answers they got varied in viewpoint and content, but at least there was no apathy.

Dr. Karl C. Leebrick, acting president of the University of Hawaii delivered himself of the rather confused opinion that there was nothing wrong with the elections being held in Hawaii since the "American way of life" has always been to promote democracy, and the US has always encouraged world participation. Only if a citizen declared allegiance to a foreign power would he lose his citizenship, Dr. Leebrick thought.

Floyd Catron, an inspector of the immigration office said that, so far as his division was concerned, any Chinese, naturalized or American-born, who holds office in a foreign country automatically loses his American citizenship.

Both the *Star-Bulletin* and the *Honolulu Advertiser* found that the prospect of the elections was creating much discussion with most of the Chinese of Honolulu being emphatic in their opposition. The Chinese made it clear, said the *Star-Bulletin*, that they wanted no part of the elections and they ask, using phraseology that would hardly have found the approval of Thomas Paine or Patrick Henry, "How can you serve two masters?"

The Hawaiian enthusiasm was probably the instrument that finally impelled the State Department to present the matter at Nanking, as reported some time ago by Henry Lieberman in the New York *Times*, after which the elections were postponed indefinitely. Most Americans are too acutely conscious of their own problems as exemplified by the high cost of living and the scarcity of housing, to care about China's elections. As diversion from such ills, the press offers fullest details on the lovelife and bankbook of ex-Major-General Bennett Meyers, and the newest photograph of bald, beefy, bellicose J. Parnell Thomas.

Spiritual Revolution A Necessity

Duncan Lee

FEW people, if any, thought that after VJ Day China should have fallen into such a sorrowful plight as she has. In wartime, people tightened their belts in the hope of winning a final victory. Most of them put up with hardships without any murmur and held on with the wonderful patience bestowed upon them by their forefathers. They led a life of such austerity that few other people would have endured.

This general tendency toward leading an easy life in post-war China has brought us face to face with the present social crisis, which has no parallel in Chinese history. During the war, the periodic fluctuations in commodity prices enabled speculators and hoarders to get rich quick and it was quite common for a penniless rascal to became a millionaire overnight by engaging in such practices.

When the war was on, not only soldiers. bureaucrats and public functionaries but also school teachers and university professors did business one way or another in order to make money. When people met, the common topics of conversation were "market prices," "how to get rich quick" or "how to establish trading corporations." Dr. Sun Yat-sen once remarked that the Chinese like to make money. But he added that our method of making money was quite different from that used by foreigners. Ours was the most despicable. Instead of earning honest pennies, most Chinese want to make easy money regardless of the means employed.

Much idle capital has been spent on hoarding, profiteering or other illegal business transactions. Whenever there is money to be made people rush to buy goods, borrowing money from others or even misappropriating or embezzling public funds, if necessary. Business can be done with money or without money because an official position always implies wealth.

When the Sino-Japanese War came to a sudden end, people discarded their old clothes and put on their fine suits with a deep sigh of relief, waiting impatiently for a return to the "good old days". But now that the war is ended, who is willing to suffer for the sake of national reconstruction?

This desire for a better life swept over the whole country. Those who became rich in the course of the war or during the take over period were anxious for an extravagant life as a reward for their suffering in the war years. The general trend toward personal enjoyment and material comfort was very powerful in the cities, while in the rural districts the farmers were worse off than ever before.

But on the other hand, our national wealth has not increased. Theoretically speaking, the rising demand for consumers' goods offers a strong impetus to China's industry and commerce, but the facts point in the opposite direction. Our production at home cannot meet domestic requirements.

Under such circumstances, soon after the war's end American goods flooded the Chinese markets. Cheap Japanese goods are reported to be steadily staging a comeback in China. Whether the Chinese Government likes it or not, China's infant industries have suffered heavy damage both during and since the war. Government loans to industry and agriculture have in most cases gone into the pockets of Government bureaucrats, speculators or hoarders.

After VJ Day, the Civil War broke out again. Millions of people, young and old, deserted their homes and thousands of students were unable to resume their studies. The fighting between the Government troops and Communist forces has been destructive in terms of both life and property. The future seems black indeed.

Despite the sufferings and hardships of the countless millions, war profiteering has again become the order of the day. The profiteer-millionaires enjoy themselves to the full. The homeless refugees mean nothing to them. Whether this country is at war or peace is unimportant to them. When there is peace they engage in speculation to make big money. When there is war they hoard goods and boost commodity prices to make easy money. It means money for them in either case.

There have been quite a number of sensational corruption cases since VJ Day. But how many criminals have been punished? The big shots are still at large and some of them are holding key Government offices.

Most Chinese think that China's old virtues advocated by the sages are nothing but impracticable theories. In their opinion, Government proclamations and decrees and regulations are so much harmless red tape. Government orders and laws are taken quite lightly by the people. It is quite common to hear people say "Don't you worry, old man. It is just a formality and will do no harm to anybody. You just mark my words and everything will turn out all right."

It often happens that rules and regulations promulgated by the Government invariably leave loopholes for the privileged classes. Only the lao pai hsing is required to obey these rules and regulations. The privileged classes may do with impunity things the common people are forbidden to do under heavy penalty. The influential seem to be under the impression that to defy the law is an honor while to obey the law is a shame.

In this great big world of ours both evolution and revolution are on the march. It is time for this country to effect drastic reforms in every aspect of the national life. Why not have a spiritual revolution? The time for it is now or never.

China has 35 provinces divided into 2,021 hsien, a report by the Ministry of Interior said. Other administrative divisions beside the regular provinces and hsien are 12 special municipalities under the direct control of the Executive Yuan, 57 under various provincial governments, 38 preparatory hsien, one administrative bureau, 132 Mongolian Banners, 209 Administrative Supervisory Areas and Tibet, the report said.

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Bloodless Coup In Siam

CHARLES CHAPMAN

Bangkok, Siam.

THE recent coup d'etat came as a complete surprise to most Siamese, who, still dazed, quietly await its consequences. In the meantime, the Army, personified by Field Marshal Luang Phibun Songgram, 50, holds the reigns of government. Phibun is said to have asserted that he will retire once the government can stand on its own feet.

On the night of November 8 there was not the slightest intimation that anything was amiss in the city of Bangkok until Japanese tanks rolled down Rajadamnoen soon after 11:00 p.m. At about the same time news raced through the city: A military coup d'etat had been effected. Premier Thamrong Nawasawat disappeared from Suan Amphorn. Nai Pridi Phanomyong, head of the deposed government and wartime underground leader, escaped out his back door, later turning up in Singapore. Other important government leaders fled in a like manner.

The Army posted guards before the foreign office and government ministries and the US, British and Chinese Embassies. At around 1:30 a.m. the Army fired on Pridi's compound and a tank plowed through the wall.

Unaware Of Coup

Most of Bangkok did not realize anything unusual had happened until Sunday morning and by then order had been restored. At 9:00 a.m., Phibun announced that the coup had been arranged because the Pridi government was incapable of leading the people. The following day he named as Premier Nai Khuang Aphaiwong, who, as leader of the opposition to the previous government, was considered Siam's foremost liberal, and noted for his honesty and integrity.

Immediately after his nomination, Khuang announced that the "military will not interfere in civil affairs except for the preservation of peace." But several days later there were unsubstantiated rumors of rural clashes between dissenters, mainly former "Free Thai" guerrillas and units of the Phibun-controlled Army.

From the hour he assumed office, Khuang began to wage war on corruption. For months past he had criticized the corruption of government officials and he and Phibun had seen eye to eye on this matter. Also among immediate government objectives were the solution of the mysterious shooting of King Ananda Mahidol on June 9, 1946, the improvement of living conditions throughout Siam and reform of the civil service in the direction of greater efficiency, Khuang declared.

Siam would respect all treaty obligations, he continued, and would seek closer relations with foreign countries. He promised that export controls on rice, destined to assist Britain and the US feed rice-hungry Southeast Asia, would be continued. Both the US and British Governments, in return, have adopted the attitude of the Siamese people: Watch and wait. Until the promised February elections there is no indication of what permanent attitude either Britain or the US will take.

Three Involved

The three men Phibun, Pridi and Khuang, around whom Siam's peaceful revolution revolved, have been political leaders since the overthrow of the absolute monarchy in 1932. They were all French-returned students having degrees, respectively, in artillery, law and engineering. In Paris they planned the 1932 coup and later actually became leaders. However, their paths gradually diverged and today they stand poles apart. Phibun is a militarist; Pridi is a planner; Khuang is a practical man.

In 1938, with the support of the army, Phibun grabbed control of the government from the so-called "intellectuals." He selected a suitable cabinet and proceeded to put through what he believed to be civic and cultural improvements.

When the Japanese attacked, Phibun called a halt to resistance after two hours' uninspired fighting, made his peace with Japan and declared war on the US and Britain. But Phibun had reckoned without the people in mind. They grew tired of his friends, the Japanese, and angry with his interference with their lives. He resigned his premiership in 1944. Although Phibun was jailed as a collaborator, he was never brought to trial because the law under which he was charged was declared ex-post facto.

Fine For Illiterates

Recently when interviewed in his sumptuous bungalow on the outskirts of Bangkok he was asked if he favored dictatorship. He replied with a smile, "Our culture needs improving. This requires controls." He cited one of his edicts, a five-baht fine annually for every illiterate, a measure designed to lower the 70 percent illiteracy rate, and in Phibun's words "It did a lot to improve education."

Following Phibun's retirement, Pridi, 51, came to power. Previously branded a Communist, he was exiled for advocating nationalization of Siam's trade and meager industry. Later, Siamese awoke to the fact that 90 percent of the country's business was wielded by Chinese immigrants. Pridi was recalled and told to go ahead. But his plans lacked practicality and soon fizzled out.

Pridi's big chance came during the war when he was involved in underground activities. He emerged a national hero. But post-war problems, primarily official corruption, were too much for him and he never really made a strong attempt to put an end to the many evils of which he was aware. Those schemes that did occur to him as a means of setting the country on its feet failed to materialize.

The shooting of the king last year has never been solved, although gossip has it that Pridi himself was responsible. Shortly after the king's death he went abroad, although he continued to run the country.

Honest Leader

The one Siamese leader who has the reputation of absolute honesty is Khuang. Among his plans for setting the country's economy on its feet are the withdrawal of the over-issuance of currency, salary increases for government employees and the training of more teachers. He would limit the Overseas Chinese near-monopoly of business by restricting them to the handling of a stated proportion—"say one-third"—of goods. He would enlist foreign experts to supervise improvements to roads, railways, telecommunications, irrigation and airfields and finance these projects with foreign loans guaranteed by the projects' assured revenue.

Siam is probably the most fortunate of all the Southeast Asian countries. Compared with such disorderly conditioned places as Burma, Malaya, Indo-China, India and Indonesia, Siam felt very little of the effects of war. The occupying Japanese touched off inflation by depreciating the currency and forcing huge credits, but they did not force their "ally" to fight. Allied bombs ruined industrial and communication facilities but on the whole Siam was left unscarred.

With the war's end, the British imposed conditions which if entirely invoked would have reduced Siam to virtually a colony. But the US intervened and Britain settled for less stringent provisions. The US, in fact, is the one country toward whom Siam has an endless reservoir of good feeling. Few US soldiers were stationed on her soil, little American business is carried on and Washington has provided dollars and advisers to help in post-war reconstruction. American good will may have been prompted to a certain extent by the prospect of future commercial air rights. A branch of

Pan American World Airways was recently established in Bangkok.

Rice Smuggled

India, Malaya, China and Indonesia are desperately in need of the staple production of Siam—rice. Britain ordered an indemnity of 1,500,000 tons, Siam's entire annual export, to distribute throughout Southeast Asia. But Siam's middlemen refused to sell at the price the government could pay. Siam's rice, the world's cheapest, was being smuggled abroad by every possible means. In Hongkong it sold for five times Bangkok's prices and in Singapore nine times the home price. Police, customs officials and even cabinet ministers were profiting from the illicit trade.

But Britain backtracked when faced with US objection to the edict and starvation in the colonies, and, joined by the US, she signed a series of accords to pay for the rice. But the price offered was still not enough to fill the quotas and smuggling continues.

In Siam it seems to be taken as a matter of course that Government people cannot remain honest. Recently, 30 provincial governors were transferred for mishandling rice. Eight members of Parliament were called to court for misappropriating $1,600 each. Police and customs collect "special fees' from smugglers for "protection" and "inspection." Siamese blame this moral decline on war-induced inflation, rice manipulation and blackmarketeering. Also a contributing factor are the cutthroat competitive tactics employed by Overseas Chinese, they say. According to Phibun, all these issues were sufficient reason for a change of government.

Notably missing in Siam is the influence of Communism. The recently dissolved Parliament's lone "Communist" member was an esthetic former history teacher who declared the goal of the Party's few score members was "complete democratization for Siam, like in Britain and America." The classless state was for the far distant future. None of Siam's Communists had ever been to Russia, he said. The USSR plans to establish an Embassy in Bangkok soon. Siam has already established one in Moscow.

Several thousand Chinese Communists have fled here but they are busily concerned with the welfare of their fellow members in China and spend no effort trying to convert the Siamese. The Chinese publish a newspaper carrying *Tass* and Chinese Communist reports, denounce US support of Chiang Kai-shek and ineffectively try to block shipments of Siamese rice to Nationalist China.

Rapid Awakening

Politically, the Siamese are immature. But although the coup passed bloodlessly, they are rapidly awakening to the effect of political machinations on their everyday lives. In a country long dominated by absolute monarchs, the public is realizing at last that it too can help determine the path the government should take. This might well incite the envy of the struggling Vietnamese and Indonesians, who, if given the chance, might also make progress in this direction.

The other peoples of Southeast Asia could well point to Siam when they hear the colonialist's favorite and threadbare adage, "You don't really want independence. You're not capable of ruling yourselves." Siam is the foolproof answer. Imperfectly governed, to be sure, and likely to be the scene of more than one coup d'etat, yet Siam is governed in a far more congenial and peaceful manner than most of her Asian neighbors.

Emancipation Of Chinese Womanhood

Hsieh Ching-an (謝靜安)

THE martyrdom at Hangchow of a young heroine called Ch'iu Chin due to her zeal and activity in participating in the revolution to overthrow the tottering, despotic Manchu Regime about 40 years ago added a new and glorious chapter to the history of China. She was the female pioneer in a nationwide uprising for political and social reforms and, subsequently, in heralding the emancipation of Chinese womanfolk held in bondage by men for thousands of years.

From time immemorial, women in our country were subordinate to men, who alone enjoyed all kinds of privileges, including that of polygamy, and who exercised indisputably supreme power over the weaker sex. Men always took the initiative in nearly every aspect of human affairs and deprived women of the right to meddle in what he did or to challenge the justification of his performance. She had simply to obey him. To her such a thing as fair treatment was rare, and the politeness of "lady first," unthinkable. Should a quarrel occur between a married couple, it was usually the husband who had his say in the matter. On account of barrenness or a minor offense he could, if he so desired, nonchalantly divorce or otherwise dispose of his wife at his own free will. Historical records disclose that Mencius turned his wife out of his house, as she did not behave well in her room; Tseng Tzu, one of the 72 illustrious disciples of Confucius, drove away his better half for her inability to stew pears; Wu Ch'i killed his bride for the purpose of acquiring the post of a general.

Buried Alive

A man could be a polygamist, taking as many women as he could support and had the liberty to remarry. But a woman could have only one husband and in case of his death had to remain a widow throughout the remainder of her life, if not buried alive with the deceased as was customarily required by the upper classes and the aristocrats. A king had at least one queen and two royal concubines to occupy his central, eastern and western palatial courts in addition to dozens of pretty girls in reserve. In the Middle Ages a lion hearted monarch hit upon a wicked idea of having the natural feet of one of his favorite singsong girls bound and squeezed so as to make her walk like a slim weeping willow swinging gently in a breeze and her foot marks look like lily buds printed on sodden ground. This evil hobby afterwards gave rise to the cruel foot binding custom of our great grandmothers whose small feet were euphemistically called "golden lilies". Since then the position of a Chinese woman sank lower and became worse than before. A climax was reached when, in the Sung Dynasty, Chu Hsi, a hypocritical philosopher professing to be an orthodox Confucian, notoriously suggested some ill-considered moral principles for the womanfolk to observe, thus further belittling their status and causing them to be nothing but men's slaves or dolls. For instance he advocated that a woman should be absolutely obedient to her father at home, to her husband after marriage and to her son on becoming a widow. He opined that incapacity and want of knowledge were noble virtues for a woman.

Continence Extolled

This accounted for the vast majority of Chinese women being uneducated and illiterate. "To a woman starvation is nothing in comparison with the loss of her chastity, which is a very serious matter," he said. As a result of his utterance it became thereafter a common practice to extol to the skies the continence of an unfortunate widow in

the prime of her life, by having wooden tablets hung on the wall outside her house and stone monuments erected in its vicinity. But woe be to her, should she be guilty of adultery. His teachings had far-reaching effect and were deeply-rooted in women's minds. Accordingly a woman thought that she was destined to be kept indoors and chained to drudge in her own house. A lady considered that she should never go to a market place let alone a theater and must not expose herself to public gaze even on taking a journey. When she was taken ill, she had to lie abed with a mosquito net pulled down as a screen beneath which she stretched forth her hand for the physician to feel her pulse. If a malignant tumour should develop at the lower part of her body, she would rather die in agony than have it examined and treated by a male surgeon.

Mental Fetters

Such was the fate of Chinese women under the influence of men. But paradoxical as it seems, all the mental fetters and tortuous ethical dogmas, which were meant to hold the gentle sex in the background, failed to keep them permanently in the darkest ignorance. There was in the past many an event in which a beauty played the principal role. Also there were not a few women whose sublime virtues and good conduct have served as examples to their counterparts down to the present and whose literary attainments cultivated privately have never been excelled. Notably among them were the mothers of Mencius and Yueh Fei, both of whom succeeded in bringing up their sons in straitened circumstances to be great men—the former a sage and the latter a national hero—so great indeed that they are still worshipped by our people all over the country. There were many women of letters, whose writings were collected and preserved in anthologies. The poetical works of such a genius as Li Ch'ing-chao in the days of Sung were pre-eminent in charm and style. For example one of her numerous beautiful poems reads as follows:

"Who is sitting by the illuminated window alone?
There are two of us, I and the shadow of my own.
But when the oil lamp grows dim and burns away,
And everything no longer remains bright and gay,
Even the very image of myself also abandons me.
Alas, it's gone and what a poor lone soul I shall be!"

In wartime, too, we had heroines. Commanding a well known "women's army," Liang Hung-yu helped her husband, General Han Shih-chung, to fight the Mongolian invaders towards the end of the Sung Empire. Ch'in Liang-yu bravely resisted Manchurian aggressors threatening the Ming regime. Mu Lan of medieval times disguised as a man to enlist in the army on behalf of her father who had been conscripted. She fought for a long time against the Tartars without her sex being discovered until her triumphant return home. The authentic stories of how Hsi Sze, the Cleopatra of China, assisted Gou Ch'ien, King of Yueh, to avenge himself by overthrowing the Kingdom of Wu; how Diao Ch'an helped her master Wang Yun to get rid of a treacherous minister named Tung Cho in the period of "Three Kingdoms"; and how Yang Kuei-fei, the darling concubine of Emperor Hsuan Tsung of the Tang Dynasty, became the object of An Lu-shan's rebellion—these have become very famous folk-lores of our nation.

Tang Empress

The power of Chinese women probably reached its zenith when Wu Tse-tien proclaimed herself empress and ruled arbitrarily over the Tang Empire, though only for a short period. All these and many other talented women appeared at intervals in the course of our long history, showing that a woman could, if given a chance, do what a man did just as well if not better than he. In spite of this, however, Chinese women, having been firmly restrained by ridiculous conventions, were still unable to shake off men's shackles. A woman was traditionally looked upon with vicious contempt as "harmful water" by the diehards of Confucian doctrines, for they conceived the wrong idea that many a kingdom had been ruined by a monarch's negligence of his duties under the spell of a sweetheart and that it was generally a woman who disturbed the peaceful atmosphere of a homested.

For centuries Chinese women have been thus downtrodden and enslaved by men until the outbreak of the revolution four decades ago, which not only effected the collapse of the Manchurian sovereignty but also brought about tremendous changes in the social life of the common people. Renovation became the order of the day. The public craved for political, military, economic and social reforms. A desire for freedom and equality dawned upon the sluggish minds of the womanfolk. The promotion for women's rights once started received universal approval. The movement was in full swing after the Chinese Renaissance in 1919.

Coeducation Permitted

Footbinding was opposed and prohibited. Education was no more the sole privilege of men. Fathers, though still conservative in many ways, did not obstinately prevent their daughters from going to school. As time went on, even co-education was permitted from kindergarten to university. Female scholars were sent abroad officially or privately to study philosophy, literature, law, economy, arts and science. Of the countless returned students not a few were women with master's or doctor's degrees from renowned universities in Europe and America. They worked side by side with men in almost every walk of life. During the eight long years' sanguinary war of resistance against the ruthless Japanese, a great number of patriotic women rendered invaluable services to our country at the risk of their lives. They discharged their duties both in the rear and at the front, nursing the wounded, looking after refugees, making clothes for soldiers, carrying on propaganda and so forth. Despite sufferings and death they remained loyal and true to our nation throughout the war.

Equal Footing

In fact during the last 20 years the situation of our womenfolk has been improved and elevated step by step, and from the constitutional point of view at least they are now on equal footing with men. Nowadays there are numerous Chinese women of reputation. Chief among them is, of course, Madame Chiang Kai-shek, the first lady of our country and younger sister of Madame Sun Yat-sen and Madame Kung Hsiang-hsi, under whose patronage and leadership the scope of our women's rights is enlarged and extended day by day. Then there are those prominent persons such as Dr. Wu I-fang, president of Ginling College of Arts and Science for Girls; Dr. Cheng Yu-hsiu, the famous jurist; Hsieh Ping-hsin, the brilliant writer; Hu Mu-lan and Wu Chih-mei, noted Kuomintang members, etc., to mention but a few. Again many learned women work at home and abroad as college professors, school teachers, doctors, lawyers, politicians, journalists, librarians, secretaries, engineers, officials of governmental organizations and so on. Indeed in our country there is scarcely an occupation in which no woman is engaged, and so it is not entirely unreasonable for men to fear that most of them may be out of work in the future through women's keen competition.

Emancipation of Chinese womanhood is on the march. There is no doubt about it. If our forefathers were alive today, they would be horrified to see modern girls, with bobbed hair and almost naked, dance in a ballroom and playing together with men in a swimming pool. Whether this is right or not is a matter of opinion. Nevertheless, there are still hundreds of thousands of females throughout the length and breadth of our country who can neither read nor write. They are badly in need of good education. This is, however, an arduous task. But unless something is done to help the millions of poor, ignorant women, they will forever be under the yoke of men.

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Revival Of Rightist Groups In Japan

Hugh Deane

Tokyo, Nov. 16.

JAPAN'S hitherto scattered and relatively quiet ultra-nationalist societies are expanding, reorganizing and linking up with each other, reports from the prefectures show. They have come furthest along the road back in the southern island of Kyushu and in western Honshu, though every prefecture and metropolitan area has one or more groups at work.

These groups are not now a significant factor, but a period of crisis could easily bring them into the political arena in force.

The current tactic of the ultra-nationalists seems to be to build "anti-Communist fronts" in various localities. The Chrysanthemum Flag Society (or Emperor's Flag Society), a new organization with headquarters in Kumamoto, Kyushu, and branches in Osaka and elsewhere, took the leadership in organizing the anti-Communist front established in Fukuoka in October.

Ex-Officers Active

This society, for the most part led by ex-officers, is reported to have liaison with the youth sections of Liberal and Democratic parties, local black market groups and rightwing elements in the trade unions. Among its ideological leaders are a number of professors who were purged from Kyushu University.

Significantly, General MacArthur's Government Section has become worried about what it calls "Japan's hidden government."

Last month Charles Kades, deputy chief of the section, declared that in Japan a basic political struggle is being waged "between supremacy of law and supremacy of secret rule by mobs and gangs which have respectable fronts of ex-diplomats, Diet members and industrialists."

U.S. Army intelligence activities have been so heavily concentrated on uncovering Communists that in all probability the authorities possess only such general knowledge of this "hidden government" as is apparent to all.

When political parties first developed in Japan toward the end of the last century, the political machines upon which they depended retained marked feudal characteristics. The nuclei of the machines were gangs led by an *oyabun* (parent leader) to whom the followers pledged filial loyalty in blood ceremonies.

During the rise of militarism these gangs played an important role, using terror against politicians who were too moderate.

In August 1945, after Japan's collapse, huge quantities of army and navy supplies were ordered distributed to these gangs and rightist groups of other types by the Higashikuni cabinet, providing the economic basis for their continued activity. The gangs quickly seized control of the black market and established connections with politicians, bureaucrats, industrialists and the police.

Respectable Facade

While continuing their connections with the respectable parties—the Liberals, Democrats and to a lesser extent, the Social Democrats—a number of gangs have gone in for direct political action on a small scale. Some have formed themselves into minuscule fascist-like political parties, began publishing illicit newspapers and acted as strikebreaking gangs.

A typical gang of this type is the so-called Zenei Taishuto (Vanguard Masses Party) in Tokyo, two of whose members last January knifed labor leader Katsumi Kikunami.

Linked with the urban gangs are the "agricultural communities" established in the prefectures by ex-militarists. Here old army groups till the soil, retain military discipline and rededicate themselves to the "national spirit." It is groups like these which are now diversifying their activities and reaching out to link up with each other.

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SHANGHAI, CHINA

KUNMING STUDENTS PROTEST

James Young

> Half of Kunming's high school students and all college students are out of school in protest against the arrest of three students accused of Communist activities. Twenty other persons in Kunming, mostly teachers and bank employees were also arrested and all are being held incommunicado. It was understood here that they were arrested on orders from Nanking to stamp out Communist activities in Yunnan province. The striking students numbered about 5,000. Goveronr Lu Han announced that the arrests were legal since they were ordered by the Central Government, a *UP* dispatch from Kunming said on December 2.

SINCE October 31, many illegal arrests have been made in Kunming. The Government's blacklist contained 76 names of students, teachers and office clerks, some of whom have already been kidnapped. Kuomintang men and members of the Young China Party were included on the blacklist, but heading the list were leaders of the student unions.

On November 6, Governor Lu Han assured a delegation of the students that no person would be arrested whose name was not on the list. But the following day, two teachers of the Chai Lin Middle School who were not blacklisted were placed under lock and key on information supplied by the principal of the school.

It was reliably reported that the blacklist was prepared by the military authorities in conjunction with the principals and moral instructors of the various schools. Many students were blacklisted simply because they played an active part in the recent "help-students" movement.

Immediately after the illegal arrests of students, all colleges and middle schools in Kunming called a general strike in protest. This strike proved a big headache for the Government authorities. On the afternoon of Nov. 13, Governor Lu Han called a meeting of representatives of the parents and guardians of the students in an attempt to persuade them to "order" their "misguided" children to call off the strike and return to classes. Both the governor and the garrison commander made speeches, charging that the arrested students were Communists, that boys and girls were running wild and that the so-called "help-students" movement was nothing but a smoke-screen for collecting money to help the Chinese Communists.

Students' Story

The meeting over, I joined a group of newspapermen in a visit to the campus of the National Yunnan University and the Teachers' College, where hundreds of middle school students were housed for the duration of the strike. The kids led a disciplined life and were in good spirits. We talked to them individually and what they said left us profoundly impressed. Typical of many, a girl student in her early teens said:

"Don't you take us for professional troublemakers. We are not. What we want is just to be left alone to learn our lessons peacefully and unmolested. But the authorities will not leave us alone. They have arrested our good teachers and law-abiding fellow students. Really, the leaders of the student union are honest and bright students and don't bother about politics. If they have any fault, it may be that they paid too much attention to fighting for the interest and welfare of their school mates.

"I can say on my word of honor that the "help-student" movement was really a spontaneous movement to raise money to help our poor schoolmates who are in desperate straits. The results of the collection of donations were made public in the *Min Yi Jih Pao* and the *Chung Yang Jih Pao*. The Government authorities simply destroy education by making illegal arrests. Under such circumstances, there is no other course open for us but to go on strike.

"We hope the government authorities will not misunderstand us. After all, they must respect our rights as citizens of the Chinese Republic. We are now helpless. Even the Provincial Council, which is supposed to be an organ speaking for the people remains silent."

Student Council Dissolved

Under pressure from the military and government authorities, the faculty of the National Yunnan University on Nov. 14 ordered the dissolution of the Student Council and the middle school of the university. Besides, nine students were expelled and 23 others cautioned. This action on the part of the university administration aroused considerable bitterness and violent protest among the students. Petition after petition has been addressed to President Hsun of the university requesting that the order be cancelled.

What made the students particularly bitter was that the university authorities should have been so obliging and docile as to take orders from the military authorities against their own students instead of standing up to the government and protesting against interference in university administration affairs. In Chinese history, eminent scholars would rather sacrifice everything for truth and justice and righteousness than bow to threat of force. But today university presidents and middle school principals seem to be inclined to "play safe" by serving as yes men for the government.

Mr. Cha Liang-tsai, President of the Teachers' College, handled the situation with more tact. He is an experienced educator. The government authorities handed him a blacklist but he has kept it secret. Consequently the atmosphere at that college is peaceful.

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China's Production Of Raw Cotton

C. C. Ching

THE supply and demand of raw cotton have played an important part in China's economy in recent years, as cotton production is one of the most vital of industries in this country and cotton plantation is probably next in importance to rice cultivation.

Together with rice, the price of raw cotton has much to do with the fluctuations of commodity prices in China. For instance, in September, Shanghai had as many as 500,000 bags of raw cotton while the monthly demand for raw cotton in this city was only 120,000 bags. However, because of the collection of raw cotton in the interior cities in Hankow by cotton mills, including those operated by the government, prices for raw cotton increased in the Central China city, which pushed up the prices of raw cotton, cotton yarn and cotton cloth, as well as other commodities in Shanghai. At that time as much as CNC$100,000,000,000 worth of raw cotton was purchased by the mills.

Raw cotton also constitutes the most important import of this country. During 1946 as much as CNC$336,917,428,000 worth of foreign cotton was imported. During the first five months of the current year, imports of cotton totalled CNC$135,261,556,000. It was because of this heavy drain on China's limited reserve of foreign exchange, that the authorities have tried to encourage the production of raw cotton in the interior provinces and to limit the import of foreign cotton.

Level Dropped

China's yield of raw cotton reached its highest level in 1936. It dropped, however, to the average of 7,000,000 piculs every year during the period from 1938 to 1945. In 1946 there were 7,430,000 piculs. According to statistics compiled by the Cotton Improvement Commission of the Ministry of Agriculture and Forestry, this year's production of raw cotton is highly encouraging. It is said that the acreage under cotton cultivation has been increased to 39,073,000 mow this year as compared with 29,418,000 mow in 1946. Meanwhile, the yield of raw cotton has increased to 11,091,000 piculs as against 7,430,000 piculs last year. Detailed figures of production for the current year in different provinces are given below:

Province	Acreage mow	Production of Raw Cotton piculs
Hopei	5,339,000	1,430,000
Shansi	660,000	178,000
Honan	4,310,000	1,160,000
Shensi	3,020,000	900,000
Hunan	1,170,000	430,000
Anhwei	952,000	231,000
Kiangsu	6,823,000	1,920,000
Chekiang	1,520,000	452,000
Szechuen	3,447,000	607,000
Liaoning	960,000	240,000
Kiangsi	277,000	82,000
Hupeh	7,185,000	2,411,000
Shantung	3,405,000	1,060,000
TOTAL	39,073,000	11,091,000

Although this year's production of raw cotton exceeds that of last year by 3,600,000 piculs, yet only 6,000,000 piculs are available for the market. A large quantity of raw cotton produced will prove to be of poor quality, unsuitable for the cotton mills. In addition, the increasing difficulty of transportation of raw cotton from the producing areas to the cities, where cotton mills are located, has rendered it difficult if not impossible to purchase raw cotton from certain provinces where military activities are expanding month by month.

For instance, Shansi will produce this year 178,000 piculs of raw cotton, but because of the Civil War in the province, this is not available to the outside world and is as good as lost. The CNAC and the CATC as well as the CNRRA Air Transport are trying their best to air lift raw cotton from Sian to Shanghai. Small quantities are being sent here by planes but the transportation expenses are extremely high, and considerably higher than transportation by ships or railroads.

War Intervenes

In Hopei Province, where the estimated production is 1,400,000 piculs, only cotton produced in some 10 districts, including Peiping, Tientsin, Tunghsien, and Shihmen can be collected as the other districts are under the control of the Communists. In Shantung Province, where the estimated production is 1,060,000 piculs, only 300,000 piculs can be collected by cotton mills because of extensive military operations.

In Kiangsu Province, where peace reigns in the southern part, much devastation and disturbance are reported in the northern part of the province, also because of military activities. The year's estimated yield of 1,920,000 piculs is only slightly higher than last year's production. In Chekiang Province as much as 120,000 piculs are of the quality for the spinning of 16 counts of yarn. Yuyao and Chinhai, two famous places for cotton production, only 12,600 piculs of superior quality, capable of turning out yarn of 40 to 60 counts are expected to be produced.

In Anhwei Province, a rapid increase in the yield of American cotton is reported this year, totalling 150,000 piculs, which can be used as raw material for cotton yarn of 40 counts. Shensi Province is famous for its production of good American cotton and it is expected that as much as 750,000 piculs will be produced in the province this year, of which 400,000 piculs are to be purchased by the China Textile Industries, Ltd.

Cotton produced in Honan Province is of medium quality, good for spinning yarn of 30 counts. In Kaifeng and Chengchow areas, around 235,000 piculs will be produced. In western Honan, another 190,000 piculs are to be produced.

Hupeh province is probably the largest cotton producing province in China, where more American cotton is produced than native cotton. It is generally estimated that this year as much as 1,400,000 piculs of raw cotton will be collected. The raw cotton planted at Fancheng and Hsiangyang districts in the western part of the province can be used for the manufacturing of cotton yarn of 40 counts. In Hunan Province, however, much more rice than raw cotton is produced. Only around 200,000 piculs of raw cotton may be collected this year.

In Szechuen Province, more Chinese cotton than American cotton is produced and this year about 300,000 piculs will be collected. Raw cotton of this province is good for the manufacturing of cotton yarn of 32 counts.

Second Estimate

According to the second estimate of the Ministry of Agriculture and Forestry, released for publication on November 6, raw cotton production for the current year will amount to 10,563,000 piculs against that of 11,091,000 piculs of the first estimate. Total acreage of land used for cotton plantation is 38,528,000 mou instead of 39,073,000 mou.

There are now in China 4,500,000 spindles, of which only 3,500,000 are in operation, Well informed textile circles predict that by the beginning of 1948, China's total number of spindles in operation will be increased to 4,000,000. If the consumption of raw cotton for one spindle is 2.5 piculs, the total consumption for the year will be at least 10,000,000 piculs. As only 6,000,000 piculs of native cotton are available for the mills, China will have to import as much as 4,000,000 piculs of raw cotton from foreign countries. This will present a serious problem because of the large sum of foreign exchange needed to pay for the import of foreign cotton.

For the purchase of native cotton, the financial problem is also a serious one. If the market price of raw cotton is CNC$2,000,000 per picul, the total amount needed for the collection of 6,000,000 piculs of raw cotton will be CNC$12,000,000,000,000.

The Policy Of The Foreign Exchange Equalization Fund

MORGAN ROBERTS

THE present rules governing foreign exchange, particularly those relating to a flexible "Market Rate" were without doubt promulgated with a view to enabling the Central Bank of China to recover the overseas remittances which have, until now, found their way through unofficial channels without any profit whatsoever to Chinese economy.

The interest shown by Chinese financial authorities is easily understandable when one bears in mind the amount of the annual average of overseas remittances which reached US$170,000,000 between 1937 and 1940. It is true, however, that a certain number of Chinese communities abroad, such as those in Indo-China and Indonesia, no longer have the means of transferring their profits or savings, while others have seen their numbers and prosperity dwindle as in the Philippines, Burma, Malaya, Siam and India.

Nevertheless, there still are active and thrifty Chinese Nationals in Australia, Cuba and especially in the United States, and of these the members of the latter community have always contributed the largest share of the remittances. The Department of Commerce returns for the year 1946 show transfers to China and Hongkong amounting to US$70,000,000.

Principal Incentive

It is quite obvious that the premium offered by the unofficial market is the principal incentive which directs the flow of funds towards Hongkong but one also must take into consideration the very able help given by long established and reliable private agencies in Hongkong and Canton, as most of the beneficiaries reside in that area. It is generally agreed that among the Chinese nationals abroad 80 percent are from Kwangtung and 10 percent from Fukien.

The difficulties confronting the Government under these circumstances are obvious and yet the Government cannot ignore such a source of United States dollars while they are the most sought after currency in the world, and particularly by China. The failure of the measures introduced on August 17 to acquire these dollars for the Central Bank of China must, however, be admitted.

The main reason for the failure lay in the belief that it was possible to eliminate the unofficial market by law, but the facts contradict that belief, a belief which is not peculiar only to China. The unofficial market is itself a fact. Even the increased activity of the economic police to an extent bordering on terrorism will not succeed in destroying it, because there will always be the opening in the south which is impossible to hermetically seal. Goods are brought in as contraband, and their sale permits the purchase of United States dollars at a rate higher than the "Market Rate" plus a substantial profit to the trader. This is due to geographical factors over which the customs administration is powerless.

In addition, there are a considerable number of US notes in circulation in China, which change hands more readily than any other currency, or for that matter any commodity, as a means of retaining liquid assets as opposed to rapidly depreciating CNC. The principles governing the clandestine market are the same as for any market, that is, the law of supply and demand.

Bases For CNC

For a currency like CNC which has practically no metal or foreign exchange backing, there are only two bases:

1. The quantity of goods and services to be financed compared with the amount of money in circulation.

2. The psychological value of the money itself, that is to say the degree of public confidence in the future financial and economic situation of the country. This element is partly dependent on the first, but is more so on the possible political and military developments. This was made very clear during the war when the exchange rate on neutral markets for the currencies of belligerents followed the course of the war. Similar conditions have existed in China during recent months when CNC has followed the fluctuations in the hopes of an American loan and the military operations in Manchuria.

Less Influence

These two bases are now having less influence and this fact should not be forgotten in fixing the open market rate for CNC too far below the unofficial market rate.

Different financial experts, journalists and businessmen have for some time been suggesting, since the fight against the unofficial market rate is so obviously doomed to failure, that the best course would be to adopt the unofficial market rate and consequently modify the present regulations.

It is always presumptuous to hope to supply a solution to a problem which many specialists both more competent and better documented have not been able to solve. Perhaps they were afraid to follow through the bold initiative taken on August 17. The results were nevertheless encouraging, for during the first few weeks exports benefited from a well-deserved impetus which gave the Foreign Exchange Equalization Fund a considerable amount of foreign exchange. Similarly overseas remittances increased appreciably.

As soon as the unofficial market rate exceeded the market rate by more than 10 percent the movement became progressively slower, in proportion to the difference.

Who are in fact the purchasers of foreign exchange on the unofficial market, and what do they do with it? They are chiefly businessmen who have funds available which they wish to keep safe from devaluation. They retain funds abroad or use them for commerce with other countries, such as to buy goods which they bring in as contraband. They would certainly prefer to use them to finance imports into China legally, if they were sure of being able afterwards to rebuild their credits for further imports. Chinese economy would lose nothing by it—on the contrary.

The whole question comes back to the issuance of licences without exchange, and to what has been called the legalization of the unofficial market.

The question of licences without exchange has been much debated and finally turned down by the Government, because the beneficiaries would buy exchange on the unofficial market.

Free Market A Danger

The establishing of a free market is not without danger if it permits the flow of national capital out of the country. It should permit only holders of import licenses without exchange to acquire foreign exchange. It would therefore be the Appointed Banks who would deal with these operations under the control of the Central Bank.

There would still be an unofficial market, the dealers on which would be capitalists not holding licences, but they would in general be outbid by importers who would have the margin of their profit.

The rise in rates on the open market will necessarily bring a rise in the prices of imported goods, which might also have repercussions on the cost of living *and on exports*. This danger can be avoided if licences are issued without exchange for reasonable amounts and for carefully selected categories of goods.

The conclusion is that there is no perfect system for preventing the effects of inflation, but in order to avoid the paralysis of economic activity, regulations can be adapted to meet the situation.

Gold Worshippers Increasing

J. R. Kaim

GOLD continues to be in high demand. Clandestine trade and black markets exist almost throughout the world. The Canadian Government has, indirectly, increased its gold buying price with a view to boosting gold production in that country which, while not a member of the Sterling bloc is still a member of the British Commonwealth. And here in China, according to reports from Manila and Hongkong, people are willing to pay prices the height of which is surpassed only by Balkan quotations. Obviously, something is going wrong on the gold market. And, also obviously, views of leading economists and financiers as to the reasons diverge widely.

The International Monetary Fund eagerly tries to suppress international traffic in gold and strictly adheres to its once accepted price of $35 for the ounce. Now, when people say that Chinese foreign exchange rates are "unrealistic," they will certainly admit that the official gold price is, at least, unrealistic to the same extent. Being a commodity, the price of gold depends on its supply and its evidently swiftly increasing demand.

Dealing with the problems of gold, the October Letter of the National City Bank of New York explains that "the gold reserves in Fort Knox provide the anchor of stability to the dollar," but were this statement absolutely correct, the many, many speeches and articles on the danger of a dollar inflation are difficult to understand. In reality, the various anti-inflation statements in the United States have been neither nebulous nor contradictory; they have been clear and sober and based on a not too pleasant variety of facts. Prices are going up in America, wages have to follow, and more dollars are needed. There is no longer an equipoise between credits and commodities. The dollar buys far less than a year ago. And by no means does $35 buy an ounce of gold.

The fact is that adherents of the so-called Nominalism forecast a disaster many years ago. Long before the war, even Irving Fisher of Yale (who later changed his view) fought against "Metalism" and against the idea that money, to be a standard of value, must itself be of value or must be redeemable at any time. Alright; nowadays, money is no longer redeemable. You can not get gold for your dollar note—at least not at the $35 per ounce rate, nor can you get gold for francs in Switzerland: in reality, currencies in the "hard currency countries" are no longer "hard" themselves. It is their backing in gold that is "hard." There is, some economists believe, a discrepancy between theory and practice.

But with the International Bank and the International Fund being based on Metalism there seems to be no way out of the monetary jungle except by producing more commodities and to look to it that such commodities can be bought and consumed. By trying to suppress the traffic in gold the Fund will arrive nowhere. As gold is scarce and new production covers only a very small portion of the general demand by states and individuals, one should think that those who are in favor of decreasing the *interest* in gold in order to terminate traffic in gold have the right answer.

Evidently, the greater the mistrust in one's own currency the greater the desire to secure "real values," particularly valuables that can be moved without difficulty. Buying of and interest in gold is the typical symptom of a sickness that may be called anti-investment-feeling and this is exactly the ailment China's present economy is suffering from. Furthermore, many people think that gold, high-priced as it is, may still be considered cheap; at

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least, they think, its official price will go up in spite of the different obstacles barring a simple hike in the official world quotation.

What supporters of such convictions say is that the present official gold price is not only unrealistic from the standpoint of demand and supply. They explain that when, in 1934, the $35 price was established, everything connected with gold was cheaper: production cost, transportation and insurance. Of course, where to peg the limit they are unable to state. But they have an uncertain feeling that as the turnover of goods in general is far smaller now than before the war, the value of gold should be greater than before the war. In other words, knowingly or otherwise the worshippers of the golden calf have turned to principles of those Nominalists who taught—and frequently continue to teach—that the actual value and quantity of banknotes in circulation is determined by the turnover of goods, not by a currency's backing in gold. Therefore, they prefer gold to banknotes, no matter what the latter's color and origin.

To this, one more point may be added. While money inflation is going on in most industrialized countries, in some lands fast in others slowly, and while world production of all sorts of commodities (including gold) is below pre-war levels, huge quantities of various products are stockpiled not for economic but for political reasons. The value of commodities stockpiled in America is unknown, as has recently been explained in an exhaustive article in the *New York Times*. Quantities of commodities stockpiled, for the same reasons, in Russia are, of course, not published either. How much money and how many labor hours are invested in atomic research cannot even be guessed. Nor do we know how much money and labor hours are to be calculated for military activities: the keeping of occupation troops, the training of recruits, the fighting in China, Indo-China, Indonesia.

All those activities are paid for in money by the respective countries. All those activities are, from an economic point of view far from productive; under such conditions even people who have no more than a hazy notion about economic interrelations will prefer to keep something stable. As long as governments cannot guarantee economic stability, the crowd of gold worshippers will increase rather than decrease and neither regulations nor international agreements can achieve fundamental changes. Actually, an increasing number of economists are demanding that governments either return to a genuine gold standard—with banknotes being redeemable—or abandon gold as the basis of currency.

That silver producing countries like Mexico favor such and similar suggestions is a matter of course. That so many people reject them is less comprehensible. For confidence in paper money is decreasing rapidly. And not only in this country.

The Week's Business

BUSINESS conditions in Shanghai during the past week—from Wednesday to Wednesday—were extremely erratic. Announcements to the effect that a new Financial Control Bureau was to be created—supposed to introduce emergency economic measures—impressed the market, while at the same time credit and loan curtailments announced by government banks, resulted, toward the end of the past week, in a very tight money market. The private, "black" interest rate went up to 24 percent per month.

According to a Shanghai Clearing House release, dishonored checks during the week ending November 29, numbered 19,645, the face value being CNC$266,000,000,000, an amount which local business quarters considered an improvement rather than a deterioration.

Yet, when the new week started, the picture changed. Commodity prices recovered step by step, shares went up again, the money market was less tight, the private interest rate went down to 21 percent. Such developments, of course, influenced the export markets were dealers had hoped for further price declines and simultaneously, for a new readjustment of foreign exchange rates. No such revision was announced, however, and while would-be exporters continue to wait for more realistic exchange rates, prices of exportable commodities continue to increase though only slowly.

With stricter controls announced, business men again asked whether actually there is any hope for improving the general eocnomic situation by tighter controls. Various groups and organizations are said to have approached the Government, not for the first time, with a view to altering the prevailing foreign trade regulations as one of the means to achieve improvements. There has been no favorable reply yet, however, and there will hardly be any in the near future, members of the said groups stated.

During the week under review the foreign exchange situation is believed to have shown no improvement either. On the contrary, estimates are that exports have declined again and reports from South China indicated that clandestine exports have been going on there with a view to obtaining higher amounts in national currency for export cargoes paid for in foreign exchange. Indications are that Overseas Chinese bank remittances, too, were extremely small last week. Remittances through legitimate channels were also very limited last week. Remittances through legitimate channels had begun to decline last October and declined again in November; postal money orders from Overseas Chinese presented to the Postal Remittances and Savings Bank during November totalled only about CNC$600,000,000, hardly more than 10 percent the amount remitted in the same way in October, it was stated recently.

Under such conditions, market observers had the impression that The Central Bank may soon be confronted with the need to readjust its exchange rates with a view to competing against the black market and its more attractive quotations.

Trading with the interior provinces, too, was reported to have slackened during the week under review. With the money market comparatively tight and remittances from North China to Shanghai curtailed by order of the Central Bank, a new black market was reported to be in the making last week; it disappeared, however, due to the abovementioned announcement of looming stricter controls.

SHANGHAI MARKET

MONEY MARKET:

With prices increasing, the money market became tight during the week ending November 29. The Government banks called in CNC$1,413,300,000,000 while, foreign banks called in CNC$2,745,000,000,000.

FOREIGN EXCHANGE:

There was no revision of the open market foreign exchange rate during the week by the Foreign Exchange Equalization Fund Committee. The import quota for the fourth quarter of the current year was fixed at US$53,393,000.

STOCKS AND SHARES:

The stock and share market was active with quotations rising to new heights during the week. However, when new measures of control were announced on Saturday, quotations dropped heavily.

	Nov. 22 CNC$	Nov. 29 CNC$
Wing On Textile	377	379
Mayar Silk	635	525
Ewo Cotton	330,000	354,000
Bond C	24,400	24,200

RICE & CEREALS:

Prices for rice remained steady but wheat flour prices increased during the week:

	Nov. 22 CNC$	Nov. 29 CNC$
Rice	740,000	730,000
Wheat flour	269,000	290,000
Bean oil	1,900,000	1,880,000

COMMODITIES

Prices of commodities increased considerably during the week, only to drop on Saturday.

	Nov. 22 CNC$	Nov. 29 CNC$
Raw silk	80,000,000	90,000,000
Rayon	105,000,000	110,000,000
20's Yarn	30,600,000	30,800,000
RQ cigarettes	246,000	245,000
MD matches	6,700,000	6,700,000
KB soap	935,000	950,000
Newsprint	1,000,000	1,150,000

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The Review's English Lesson—VIII

READER'S QUESTIONS ANSWERED

WE HAVE recently received several inquiries from readers, and we select one letter from Shensi Province because it raises questions that will be of value for many of our readers to consider.

Part I: Reading Numbers.

(1) **Q.** How should one read numbers like 23.5 or 4.321?

A. "Twenty-three point five" is the usual way, but some people read it as "Twenty-three and five-tenths". Both are correct.

In the same way, "Four point three two one", or "Four and three hundred and twenty-one thousandths". Both are correct, but since the first is much easier to say, it is more frequently used.

(2) **Q.** How should one read a number like 23,456,710? Is there any other way to read this except by saying "Twenty-three million four hundred fifty-six thousand seven hundred ten"? Can it be read as "2, 3, 4, 5, 6, 7, 1, 0", letter by letter, as Chinese do?

A. The most common practice is to pronounce the number in full, as "Twenty-three million....."

When you refer to the Chinese practice of reading a long number letter by letter, we assume that you mean in the following cases: in checking accounts or other records of lists of numbers; in giving an address, a telephone number, a license number, etc., to another person; and in reading dates. Except for dates, English use is exactly the same as Chinese in these special cases. However, if you make a speech or read a report aloud to someone else, either in Chinese or English, you would NOT pronounce your numbers letter by letter, except perhaps in repeating a number for the sake of emphasis.

Another general way to think of the difference is that when the number is used as an **adjective** to modify a noun, e.g., 550,348 horses, you pronounce the number in full, except if you are reading a list of numbers. When, however, the number is used as a **noun**, e.g., "His license number is 54321", you read it letter by letter.

(3) **Q.** How should we read "Oct. 26 in the year 1947"? Since no "th" comes after 26 or 1947, should we omit the "th" when reading?

A. You may do as you like about "th" in reading aloud the day of the month in a full date. It is, however, much more common to add "th", "st", "rd", and "nd", as required, than to leave them out, and these endings are almost always used in the dates from 1 to 9. (Grammar note: Numbers read in this way are known as "Ordinal Numbers".)

Part II: Terms of Convenience.

(4) **Q.** What are the English equivalents for the Chinese terms: "Sie tutze" (瀉肚子), "Ta pien" (大便), "Hsiao pien" (小便) when we say, "I want to go to the W. C."?

A. The English equivalent for "Sie tutze" is exactly that of the Chinese meaning: "Loose stomach", and is generally applied to the various kinds of loose stomach, just as in Chinese usage.

"Ta pien" and "Hsiao pien" have no exact equal in ordinary English usage, but a similar difference may be expressed under special circumstances, as between parents and children, a sick person and the doctor or attendant, and so on.

It is very useful to know how to use the ordinary expressions in English, of which there are several.

(a) "W. C." for "Water Closet" is almost never used anymore, although it was common some years ago.

(b) When you visit a private home, you ask: "May I use the bathroom?" or "May I wash my hands?" because in most English-speaking countries it is customary to find this convenience in the same room with the bath and the wash bowl, and it is social practice to refer to the actual W C or lavatory indirectly.

(c) When you are in a public place, such as a restaurant, a meeting, or on a train, you ask:

"Where is the men's (or the ladies') room?", or

"Where is the wash room?", or

"Where is the lavatory?"

BLAZING THE TRAIL

The modern looking six passenger sedan pictured above was built by Mr. Yu Ching-tu of the Taipeh Automobile Service Station and his assistants. The car took over six months and cost Taiwan $1,000,000 to build. Except for the engine chassis and a small number of parts salvaged from out of date American cars, the new car was assembled from parts made with hand tools. Mr. Yu hopes that TASS (it is named after the service station) will blaze the trail for China's future automobile industry.

What U.S. Papers Say . . .

AMERICAN aid for China continued to be hotly debated in American newspaper editorials last week. The current Council of Foreign Ministers' meeting in London also drew some pessimistic comment.

• • •

Aid For China

COMMENTING on Governor Dewey's appeal for urgent aid for China the *New York Sun* stated that "the governor voiced a concern which a great many of his countrymen share, and that the excuse that the Chinese problem is difficult of solution is a poor one for not tackling it.

"Even less excusable would be an attempt to conceal the magnitude of the world-wide problems which confront America lest the public fear to face its full responsibilities. One result of such a half-way policy could be that on both fronts we might find that we were doing too little too late," the paper concluded.

However, many papers disagreed with Governor Dewey. The *Washington Star* stated editorially: "Governor Dewey has raised a hollow issue in declaring that the Communist threat in China is even more urgent than in Europe and that the President either does not know of the situation or deliberately ignores it . . . As far as the White House and the State Department are concerned, the record simply does not justify the charge.

"The argument that the Chinese problem is even more urgent than Europe's amounts to little more than a peacetime version of the wartime minority view that favored giving priority to the battle against Japan instead of to the battle against the Nazis . . . China, despite its potentials, still is predominantly agricultural and hence not of the same immediate significance as the highly industrialized European community of independent nations—a community where the Kremlin-directed activities of the French and Italian communists have created dangers that seem far more immediate and pressing than those confronting the Chinese. Our projected emergency aid and long-range recovery program are calculated to cope with those dangers and prevent Soviet domination of all of Europe; if that objective is attained, then the menace of a Red Asia will rapidly diminish.

"To say these things is not to minimize the fact that the Chinese are threatened and need help. It is simply to say that the situation calls for a first-things-first type of action at the most decisive points and that Europe, in this instance and this particular moment in history, is certainly more decisive than China."

The *Christian Science Monitor* in an editorial entitled "Alms to Chaos" stated that Governor Dewey did not know what he was talking about. "It has been estimated that the American people through various agencies have already sent close to US$4,000,000,000 to the Chinese Government, with remarkably little effect. Freda Utley, the most passionate but realistic advocate of all-out aid to Nanking, admits the cost might run up as high as US$15,000,000,000. And no one who knows even the elementary facts about China will believe that dollars alone, without active participation in the civil war, would do the trick."

The *Washington Post* expressed fear that "if aid is voted, it would not be China or the Chinese that would be helped . . . Nothing is more clearly destined to alienate the Chinese people from the United States than the arming and equipping of Chiang Kai-shek's armies."

In the opinion of the paper, "the best course is to ride out the risk while the aid program for Europe is in the course of fulfillment— instead of diverting our limited resources and, in the process, wasting money. We had thought that Congress was intent upon winding up 'operation rathole' and the subsidizing of corrupt ruling cliques abroad under the banner of anti-Communism."

• • •

London Conference

IN spite of a rather pessimistic tone, editorial comment in American newspapers still entertained hope that the Council of Foreign Ministers now in session in London will make some progress toward agreement on treaties with Germany and Austria and thereby improving the international situation.

The *New York Herald Tribune* said: "So long as the machinery of negotiation grinds on, the possibility of eventual agreement cannot be altogether dismissed . . . London will not decide between peace and bloodshed—the latter is at worst only a distant danger. It will decide whether the political struggle can be in some measure compromised or will have to be continued through still another uneasy and distressful period."

The *Philadelphia Inquirer* urged patience to win over the Russians, and advised that drastic moves on the part of the United States should be avoided. "If we cannot get great decisions for settlement, we should, if possible, avoid any too drastic moves or decisions on our part. We should work for a Soviet change of heart . . . We must buckle down to the task of rescuing Western Europe from disaster. Success in that undertaking would go a long way toward convincing Russia that, at the next Conference, it might as well come in prepared to join with us for world peace."

The *Jackson* (Mississippi) *Daily News* stressed: "We still hope a basis for conciliation with Russia may be found . . . We do not want isolationism, with its implied division of the world into two hostile armed camps and it cannot serve the cause of peace if we permit ourselves to be jockeyed into any such decision."

Who's Who in China

TU YUEN-TAN, Minister Plenipotentiary and Envoy Extraordinary to Panama, Costa Rica, Honduras and El Salvador; born in Hwangpi, Hupeh, 1897; graduated with

Tu Yuen-tan

（涂允檀）

B.A. degree from the National Peking University, 1918 and with Ph. D. from the University of Illinois, 1926; director, Bureau of Education, Wuhan Municipality, 1927; director, Bureau of Social Welfare, Wuhan Municipality, 1928; professor, College of Law and Commerce, Hopeh, 1930-33; lecturer, National Peking University, 1932; secretary, Ministry of Foreign Affairs, Nanking, 1934; senior member of the Treaty Commission, Ministry of Foreign Affairs, 1936; consul-general, Manila, P.I., 1937-38; director of the Treaty Department, Ministry of Foreign Affairs, Chungking, 1940-42; author of "State Responsibility for Injuries to Foreigners on Account of Mob-Violence, Murder and Brigandage;" address: Ministry of Foreign Affairs, Nanking.

The US has asked the 11-nation Far Eastern Commission to delay consideration of an American proposal for a further breaking up of Japan's industrial and banking combines, *AP* said recently. Known as the FEC Document 230, the original American plan was submitted to the commission several weeks ago. It has never been made public. Lately, however, there have been unofficial reports that the US policy of decentralizing concentrations of Japanese capital, declared immediately after VJ Day, was being modified in favor of less severe action.

• • •

Four emergency measures adopted by local Shanghai authorities are said to be: (1) The temporary suspension of loans to business and industrial firms by the four national banks until the market situation is stabilized; (2) The temporary suspension of the work of the Discount Committee of the Central Bank; (3) The temporary suspension of fund remittances between Shanghai and outport cities; (4) The dumping of a huge amount of commodities on the market. The purpose of these acts was to tighten the money market and eventually force businessmen to sell out their stocks, the *China Press* said.

What Chinese Papers Say

EDITORIAL comment in Chinese newspapers last week expressed satisfaction over the fact that the aid-for-China campaign is gaining ground in the United States. Many papers, in commenting on the reply of the Soviet Union to China's proposals on Japan, hoped the United States and the Soviets would meet each other halfway.

* * *

American Aid

THE Government organ, *Chung Yang Jih Pao*, noted with great satisfaction that the policy of extending aid to China is being unanimously advocated by American leaders, both in and outside the Government.

"The only difference lies in the fact that while the US Government authorities still persist in their view that Europe should come first and China next Congressional leaders, especially the Republicans, mostly feel that Europe and China are of equal importance. The fact that the House Foreign Affairs Committee cut down the aid for Europe and included US$60,000,000 for China clearly indicates the basic wishes of Congressional circles regarding the US policy of extending aid to foreign countries.

". . . However, we must point out that the significance of the aid-to-China program which Secretary Marshall announced does not lie in the amount of the aid, but rather in the re-formulation of US policy to extend aid to China. This indicates that the US Government authorities have now changed their negative attitude which they have adopted for the past year and that they have decided to adopt a more positive policy. At least it shows that General Marshall is taking a serious view of the difficult situation in China. As to the inclusion by the House Foreign Affairs Committee of US$60,000,000 aid to China in the emergency aid program, it is a more advanced step than Marshall's aid-for-China program and is therefore highly gratifying."

The *Shun Pao* attached significance to present indications that a bipartisan US policy toward China is in the making.

"Since the conclusion of the war, the United States has been pursuing a bipartisan foreign policy. However, there is still some differences of opinion between the Democrats and the Republicans on the question of US policy in the Far East. While the Truman Doctrine has been applied to Europe, it has not yet been extended to the Far East.

"So far as the Marshall Plan is concerned, the US Government is now devoting its efforts to the implementation of the aid-for-Europe plan and is not enthusiastic about aid for the Far East. The time has now come when the United States Government authorities have to listen to the views of the Republicans on the problem of aid for China and feel it necessary to adopt a bipartisan policy toward China; otherwise, US policy toward China is most likely to become a fighting issue in the next presidential elections.

"Today, all American people want to maintain their close relations with China. Therefore, we feel safe in predicting that if the aid-for-China problem should be fought in the coming elections the Republicans will undoubtedly win more support from the electorate than the Democrats.

"We believe that while there is still some differences of opinion between the Democrats and Republicans concerning aid for China the said differences will be straightened out sooner or later. Indeed, it can be said that a bipartisan US policy toward China is in the making."

* * *

Japan

COMMENTING on Moscow's reply to China's proposals on Japan, the *Ta Kung Pao* fully supported the Soviet suggestion that the preliminary conference be held in China. While stating that both the American and Soviet proposals are "reasonable," the paper expressed the hope that Washington and Moscow would reach a compromise.

"Regarding the question of how the Japanese peace conference should be called, the United Nations did not reach any clear-cut decision. Soviet Russia has proposed that the Big Four Foreign Ministers' Council draft the treaty. This is a logical proposal. The Potsdam Declaration provides for the establishment of a Council of Foreign Ministers of the Big Five and the Italian peace treaty was drafted by the Council. In proposing that the Japanese peace treaty be drafted by the Council of the Foreign Ministers of the Big Four, Soviet Russia was only following the precedent set by the Italian peace treaty.

"The US proposal to hold an 11 nation conference is also reasonable, because the 11 nations actually participated in the war with Japan . . . However, it would be unjust to abolish the veto power. The abolition of veto would mean a great loss for China.

"China's proposals are indeed a compromise and they are practicable. We sincerely advise the United States not to persist in its desire to abolish the veto. We also hope that the Soviet Union will not stress the form too much. The Soviet Union must understand that so long as the principle of "Big Four Unanimity" is preserved a Big Four Conference or an 11 nation conference makes no difference."

The *Shun Pao* shared the same view. "The Soviet reply to China's proposals was received on November 28 and it seems that the reply is coming near our proposals, although it is at variance with the views of the United States. So far, the United States and Great Britain have not yet replied officially to the Chinese and Soviet notes on the matter.

"Actually, it is not very difficult to break the deadlock. If only Soviet Russia can agree to the convening of an 11 nation conference and does not insist on its proposed conference of the Big Four Foreign Ministers and if only Britain and the United States can agree to "Big Four Unanimity" in voting and give up their insistence on a two-thirds majority vote, the deadlock would be easily broken in no time.

"Settlement of international disputes depends upon readiness to compromise on the part of the nations concerned. We wish to reaffirm our stand on this matter: China's proposals are both compromising and constructive in nature. We hope that both the United States and Soviet Russia will give the matter their cool-headed consideration so as to find a way of breaking the present deadlock."

The *Chien Hsin Jih Pao* said that the foundation of the Japanese peace treaty lies in the need for Soviet Russia to demonstrate sincerity as a guarantee of friendship and cooperation between China and the Soviets.

"China's stability and prosperity constitute the cornerstone of peace in the Far East. If China is strong, she will be able to cooperate with Soviet Russia in preventing Japan from staging a comeback. But if China is weak and strife-torn, it will be quite possible that Japan, while being utilized by a third power, may rise again and become a serious threat to peace. However, before China can enjoy security, she must achieve national unity.

"China has always attached great importance to Soviet Russia's position in the Far East, but it is necessary for Russia to demonstrate her sincerity as a guarantee of friendship and cooperation between the two countries. It is the foundation of the Japanese peace treaty. It also is the foundation on which world peace is to be built."

The *Chung Hwa Shih Pao*, official organ of the Young China Party, issued a warning to the effect that as things stand today in Japan, it is imperative to keep a sharp lookout on the former Empire of Rising Sun.

"We need not blame the United States or Japan. We should be on the alert. On the one hand, we should leave no stone unturned in reforming ourselves by weeding out the corrupt bureaucrats and cultivating our new strength. On the other hand, we should try to have a better understanding of the situation in Japan.

"In the forthcoming Japanese peace conference, we should insist on the destruction of Japan's heavy industries, thorough disarmament and demilitarization, and eradication of all remnants of Japanese fascism and militarism. If necessary, we should cooperate with Soviet Russia or use the veto power to attain our objectives."

Final Release Of China Liberated Areas Relief Association

1. The original purpose of supplies or money contributed by UNRRA was never meant for the strengthening of the Nationalist Government. UNRRA's contribution was meant for the Chinese people, and for the Chinese people only. The provision as to non-discriminatory distribution of supplies was made with the specific purpose of excluding the possibility of UNRRA supplies staying in one part of China, and in order to prevent its use for political and military purposes in favor of one party in the Civil War.

Parallel with this provision was the stipulation that distribution should be made in accordance with the real needs of all the areas which were formerly under Japanese occupation. The UNRRA/CNRRA/CLARA mutual agreement on free movement of relief supplies and personnel and non-military interference is the best operational agreement, and should be strictly observed by all parties concerned so as to make the wartime China relief operation possible. But, due to the fact that the Truman doctrine is dictating the UNRRA policy, both these provisions have been disregarded in practice and CLARA's efforts to facilitate their implementation have been blocked with bombs and warships, and by the armies of the Nationalist Government.

2. During the intervening five months, after the publication of CLARA's report in July, 1947, the betrayal of UNRRA's original purpose and of the Chinese people, for whose service so much money had been contributed and so much effort had been mustered, received the final touch. Disregarding CLARA's warning and thwarting the efforts of many honest UNRRA officials, UNRRA has been waging Civil War against the needy people on the side of the Nationalist Government; UNRRA has, without even a gesture of protest, submitted to Chiang's anti-people's mobilization order.

The short time which was left, from the time CLARA sounded its warning up to the day of UNRRA's termination in China, was filled with maneuvers which were wholly designed to deceive the public and to hide UNRRA's determination of turning over all supplies, including those which had been firmly allocated to the people of the Liberated Areas, to the Nationalists. The criminal Yellow River scheme, one of the UNRRA world-known projects, bore its fruit with floods which robbed the people of their land, crops, houses and belongings, and left the Yellow River inhabitants without UNRRA's relief. The emergency dikes were destroyed by the Kuomintang airforce while UNRRA was distributing trucks, locomotives, machinery and relief goods outside the blockaded area to the Nationalist army transportation. The major part of relief supplies for the flooded areas went only to the one-tenth of that area under Nationalist control. Ninety percent of the flooded areas people under the Border Government received only an insignificant part of UNRRA supplies. But UNRRA has made worldwide propaganda saying that the Yellow River Project is for the reclamation of 2,000,000 mou of land of that area. A survey of the damage which the Liberated Area people suffered in consequence of the rediversion of the Yellow River showed that the two percent relief goods delivered to Liberated Areas (50,000 tons out of 2,700,000 tons delivered to the 140,000,000 out of 260,000,000 Japanese war victims in the whole of China) represented only 11.53 percent of the value of the damage caused by the Yellow River project.

The order by which all UNRRA supplies for territories north of the 34th parallel were impounded, worked out the way CLARA prophesied it would: supplies for the Liberated Areas were kept in godowns while anything the Nationalists needed found its way into Nationalist Government territory north of the 34th parallel by many devious devices. Even all these discriminatory actions did not satisfy UNRRA; the UNRRA Central Committee has now decided to make a final and unconditional surrender to the Nationalists—the turning over of all impounded supplies to the Kuomintang Civil War distribution program in Liberated Areas "operationally impossible."

UNRRA's previous decisions of direct shippings for Liberated Areas to Liberated Area ports in Liberty Vessels and down the Grand Canal were thus finally broken. This took place without even mentioning the fact that the basic reason for this defeat was their unwillingness to take the honest alternative open to them—a demand to the Nationalists that there be fair distribution or no distribution. Even up to the last moment of its stay in China, UNRRA, instead of making a confession of the failure of its mission, is still trying to hide the true facts of its imperialist relief policy. Their aim has been to disclaim their own responsibility of working together with the Nationalists to scrap UNRRA's non-discrimination policy and the relief program for the Liberated Areas. No matter how UNRRA decorates itself, people of the whole world have never been so aware, as at the present time, that UNRRA has degenerated from an international relief organization to an instrument of the American State Department, and its China Office is a war supply agent for the Nationalist Government. From the moment the Nationalists made a step from sabotage and creation of military incidents to an open and allout blockade, CLARA insisted that the only way UNRRA could act was by giving an ultimatum to the Nationalists and to withdraw from China if this ultimatum was rejected. As in the past so at this crucial point, UNRRA disregarded CLARA's advice and chose to end its days in China as the supply agent for Chiang Kai-shek's Civil War apparatus. The curtain of fine words and empty gestures was torn, and through the hole everybody could see the face of the agent of the Nationalist military dictatorship and of the Truman doctrine.

3. Now the facts amply prove the correctness of CLARA's July report which remarked that the generosity of the people of the United Nations could be betrayed by a smoke-screen of fine words behind which people fight and die, and that relief supplies could be used for destruction instead of rehabilitation. The people who fought and died were the needy people of the Liberated Areas, the people of heroic resistance of eight years of anti-Japanese war. The culprit was the Nationalist Government; its supply agent was UNRRA. The basic lesson to be learned from the UNRRA China experience for the people of the United Nations is that international relief organizations will serve their purpose only when they remain under the control of the directly elected representatives of the contributing people, and if its leadership remains detached from the policy of imperialist governments. The Liberated Area people, who rely mainly on their own strength, have defeated both feudalistic tyrants and foreign imperialists in their own areas, and they, in conjunction with the peace loving peoples in this country and abroad, will continue to fight against the Truman-Chiang anti-people's war policy until a unified and independent China is at last achieved in our country. This will take place eventually despite the continuous one-sided help given by UNRRA, in addition to the military, financial and other help given by Truman to Chiang Kai-shek.

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NANKING-SHANGHAI LINE
TIME TABLE

72	4	76	6	8	78	2	10	12	16	TRAIN NO.	1	5	15	7	71	3	9	11	75	77
"Tai Hu" Express	I, II Triumph Exp.	II, III Local	I, II III Exp.	I, II Exp.	II, III Local Exp.	I, II Nanking Throu. Exp.	II III Night Exp.	I, II Night Exp.	I, II III Night Exp.	STATIONS	I, II Hangchow Throu. Exp.	I, II III Exp.	I, II III Exp.	I, II Exp.	"Tai Hu" Express	I, II Triumph Exp.	I, II III Night Exp.	I, II Night Exp.	II, III Local	II, III Local Exp.
8.30	7.00	7.30	9.00	11.00	12.15	13.30	21.50	23.00	23.30	D SHANGHAI NORTH A	14.45	16.25	18.25	19.35	22.20	22.45	6.35	8.00	10.25	17.10
		8.55	10.16	12.14	13.48		23.27		0.56	D KUNSHAN D		15.24	17.09	18.22			5.28		8.34	16.05
10.13	8.41	9.42	10.57	12.57	14.29	15.17	0.20	1.06	1.43	A SOOCHOW D	13.06	14.33	16.23	17.36	20.31	21.06	4.39	5.39	7.10	15.19
10.18	8.48	9.49	11.08	13.04	14.36	15.26	0.27	1.13	1.55	D SOOCHOW A	12.59	14.19	16.17	17.23		20.58	4.32	5.19	7.04	15.09
11.10	9.36	10.45	11.57	13.55	15.35	16.14	1.22	2.08	2.50	A WUSIH D	12.11	13.24	15.14	16.29	19.35	20.10	3.39	4.26	6.00	14.10
	9.42		12.06	14.02		16.23	1.29	2.15	3.00	D A	12.04	13.18	15.08	16.21		20.03	3.33	4.19		
	10.31		12.59	15.03		17.09	2.27	3.13	4.05	A CHANGCHOW D	11.17	12.22	14.05	15.20		19.16	2.35	3.30		
	10.40		13.08	15.15		17.19	2.37	3.25	4.13	D A	11.06	12.09	13.55	15.08		19.06	2.24	3.20		
	11.38		14.00	16.13			3.56	4.29	5.16	A TANYANG D		11.09	12.41	14.05		18.12	1.07	2.03		
	11.41		14.03	16.17			4.00	4.33	5.20	D A		11.05	12.37	13.55		18.08	1.02	2.00		
	12.18		14.40	17.01		18.46	4.46	5.18	6.02	A CHINKIANG D	9.32	10.28	11.44	13.07		17.23	0.09	1.07		
	12.25		14.45	17.17		18.53	4.55	5.27	6.09	D WEST A	9.24	10.21	11.38	12.59		17.15	23.56	1.00		
	13.55		16.10	18.50		20.20	6.30	7.15	7.50	A NANKING D	8.00	9.00	10.00	11.00		15.45	22.00	23.00		

FARE LIST

STATIONS	Kilo.	I Class Ordinary Express		II Class Ordinary Express		III Class Ordinary Express		"Triumph" Express, Nanking & Hangchow Through Expresses I	"Triumph" Express, Nanking & Hangchow Through Expresses II	"Tai Hu" Express
SHANGHAI N. TO:—										
KUNSHAN	52	30,000.	44,000.	16,000.	22,000.	8,000.	12,000.			
SOOCHOW	87	44,000.	58,000.	22,000.	30,000.	12,000.	16,000.	142,000.	84,000.	142,000.
WUSIH	129	72,000.	88,000.	36,000.	44,000.	18,000.	22,000.	142,000.	84,000.	156,000.
CHANGCHOW	168	88,000.	116,000.	44,000.	58,000.	22,000.	30,000.	142,000.	84,000.	
TANYANG	213	116,000.	144,000.	58,000.	72,000.	30,000	36,000.	174,000.	102,000.	
CHINKIANG WEST	243	130,000.	160,000.	66,000.	80,000.	34,000.	40,000.	192,000.	112,000.	
NANKING	312	130,000.	160,000.	66,000.	80,000.	34,000.	40,000.	192,000.	112,000.	

SHANGHAI-HANGCHOW LINE
TIME TABLE

23	21	61	67	25	1	41	27	TRAIN NO.	24	42	2	68	26	22	62	28
I, II III Exp.	West Lake Exp.	II, III Ord.	IV Mixed	I, II III Exp.	I, II H'chow Throu. Exp.	II, III Ord.	I, II III Exp.	STATIONS	I, II III Exp.	II, III Ord.	I, II N'king Throu. Exp.	IV Mixed	I, II III Exp.	West Lake Exp.	II, III IV Ord.	I, II III Exp.
6.45	8.00	8.15		11.30	16.00	16.15	22.45	D SHANGHAI NORTH A	9.15	12.15	12.35		18.55	20.05	22.30	23.30
7.05	8.16	8.36	9.00	11.53	16.19	16.36	23.06	D SHANGHAI WEST D	8.58	11.55	12.20	17.20	18.37	19.49	22.13	23.12
7.49		9.46	10.29	12.38	17.03	17.46	23.50	A D	7.51	10.44	11.26	15.29	17.48		21.00	22.16
7.54		9.56	10.40	12.43	17.08	17.51	23.55	D SUNGKIANG A	7.47	10.38	11.21	15.22	17.39		20.54	22.11
9.02	10.02	11.40	12.50	13.50	18.16	19.23	1.06	A D	6.35	9.04	10.13	13.10	16.20	17.54	19.25	21.00
9.16	10.08	11.50	13.15	13.58	18.26	19.33	1.16	D KASHING A	6.28	8.55	10.04	12.45	16.11	17.47	19.12	20.50
10.00		12.33	14.52	14.32	19.01	20.16	1.50	D YEHZAH D	5.56	8.14	9.31	11.53	15.39		18.29	20.18
10.31		13.18	15.56	15.04	19.32	21.01	2.21	A D	5.23	7.27	8.58	10.40	15.06		17.42	19.34
10.36		13.26	16.10	15.11	19.37	21.06	2.26	CHANGAN-TSENG	5.19	7.22	8.54	10.27	15.02		17.37	19.27
11.30	11.55	14.45	18.10	16.20	20.30	22.20	3.35	A HANGCHOW D	4.25	6.10	8.00	8.30	14.00	16.00	16.25	18.25

FARE LIST

STATIONS	Kilo.	I Class Ordinary Express		II Class Ordinary Express		III Class Ordinary Express		"Triumph" Express, Nanking & Hangchow Through Expresses I	"Triumph" Express, Nanking & Hangchow Through Expresses II	"West Lake" Express
SHANGHAI N. TO:—										
SUNGKIANG	45	30,000.	44,000.	16,000.	22,000.	8,000.	12,000.	142,000.	84,000.	
KASHING	99	58,000.	72,000.	30,000.	36,000.	16,000.	18,000.	142,000.	84,000.	142,000.
YEHZAH	126	72,000.	88,000.	36,000.	44,000.	18,000.	22,000.	142,000.	84,000.	
CHANGANTSENG	151	88,000.	116,000.	44,000.	58,000.	22,000.	30,000.	142,000.	84,000.	
HANGCHOW	190	88,000.	116,000.	44,000.	58,000.	22,000.	30,000.	142,000.	84,000.	156,000.

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